REDUCTIONS IN THE FEDERAL AVIATION ADMINISTRATION'S AIRLINE INSPECTOR WORK FORCE AND THE IMPLICATIONS FOR AIRLINE SAFETY

(98-40)

HEARING

BEFORE THE

SUBCOMMITTEE ON AVIATION

OF THE

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

HOUSE OF REPRESENTATIVES

NINETY-EIGHTH CONGRESS

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REDUCTIONS IN THE FEDERAL AVIATION ADMINISTRATION'S AIRLINE INSPECTOR WORK FORCE AND THE IMPLICATIONS FOR AIRLINE SAFETY

THURSDAY, NOVEMBER 10, 1983

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON AVIATION,
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:20 a.m., in room 2167, Rayburn House Office Building, Hon. Norman Y. Mineta (chairman of the subcommittee) presiding.

Mr. MINETA. The Subcommittee on Aviation will please come to order.

Today the Subcommittee on Aviation is holding a hearing on the Federal Aviation Administration's decisions over the past 2 years to significantly reduce the air carrier safety inspector work force and on the implications of these reductions for safety of the Nation's airlines system.

It is the policy of this Congress that while many types of airline economic regulations should be removed, there has been no deregulation of the Federal Government's role as safety regulator of the airline industry.

There are those who have alleged that economic deregulation has adversely affected safety. Accident data, however, do not support those allegations. The data, in fact, indicate a general improvement in the industry's safety record over the past decade. And this fine safety record is the product of many forces, including the industry's strong interest in safety and the FAA's role in setting safety standards and seeing that the industry is in compliance with them.

But if we are to sustain those kinds of safety improvements, we are going to have to have the kind of firm safety regulation and enforcement that make the cost of safe operation something that no airline can avoid.

What we have found more recently, however, is that the FAA has decided to significantly cutback the inspector work force, which insures that the air carriers are conducting their operations in a safe manner and in accordance with Federal aviation regulations.

Frankly, those figures in inspector staffing have raised very serious concerns here at the subcommittee. From 1981 until 1983 authorized operations and maintenance inspectors have declined from 638 to 534, a cut of 16 percent. Furthermore, we are told that we

can expect FAA to cut approximately another 7 percent in the number of authorized inspectors during the current fiscal year for a total reduction in airline safety inspectors of 23 percent since 1981.

Now, this level of reduction would have given me pause even during a time when the airline industry was stable. But since 1978 we have, of course, deregulated the entry of new carriers into the industry, and the entry of all carriers into new markets.

We have had nearly a doubling from 35 to 65 in the number of part 121 carriers providing scheduled service; in the cargo, charter, and commercial side of part 121, we have more than doubled, from 30 to 79. In addition, there have been a number of carriers who tried to enter the business, consumed a large amount of safety inspector work force time, and ultimately were not able to start operations. All this has significantly increased the workload on the FAA safety inspector workforce at precisely the point that it has suffered these staffing reductions.

Now, the administrator of the FAA, Mr. Helms, will discuss management initiatives he has taken or will be taking to try to get more productivity out of the FAA's inspectors. Nevertheless, the data we have on actual inspection and surveillance activity generally indicate that these cutbacks in staff have also resulted in cutbacks in inspection activities. At the Nation's 20 largest inspector field offices where 80 percent of the inspectors are located, there was a 7-percent drop in inspector activity between 1982 and 1983.

Our concern is for the long-term implications of fewer inspectors, which could mean that airlines have less sense of inspector presence in their day-to-day operations and less sense that somebody is looking over their shoulders. This may create on the part of some carriers a more lax compliance attitude that could over time show up in accident statistics. That is what we are trying to prevent.

Now, in short, our concern is that what we are witnessing with these staff cutbacks are the initial steps toward a loosening up of safety regulations of the airlines. If this is the case, we will want to turn that policy around.

In preparing for these hearings, Mr. Hammerschmidt and I have sent our staffs out into the field so that we are well aware of exactly what is going on in these field offices and with the concerns of the FAA safety inspectors.

I want to acknowledge the strong role played by Mr. Hammerschmidt and his staff in developing these hearings. And I am pleased to recognize at this time our very distinguished colleague and friend from Arkansas, Mr. Hammerschmidt.

Mr. HAMMERSCHMIDT. Thank you, Mr. Chairman.

As you have indicated in your opening statement, our hearings today will focus on the FAA's Flight Standards Office and its various air carrier certification and inspection responsibilities.

These activities, which include the certification of airmen, safety inspections, accident prevention, and surveillance, are of course essential to the safe operation of our national air transportation system. As my colleagues are well aware, the Federal Aviation Act of 1958 requires the FAA to assure that the highest level of safety is maintained in our air transportation system. Today's airline in-

spection workload consists of approximately 145 certificated air carriers, 45,000 pilots, and 2,700 aircraft.

According to the FAA's projections, the number of air carrier aircraft is projected to increase by 42 percent over the next 20 years.

With this kind of growth projected in the industry, any significant reductions in the air carrier inspector work force are obviously cause for concern. According to figures supplied by the FAA, the total number of authorized field inspector positions directly involved in air carrier operations has dropped by over 16 percent between fiscal 1981 and fiscal 1983. Moreover, this has occurred at a time when the airline industry has seen the advent of numerous postderegulation carriers, thereby suggesting that the FAA's responsibility for certification and surveillance would be increasing substantially.

I am fully aware of the FAA's effort in the development of the aviation safety analysis system, ASAS, a centralized data base designed to provide field personnel with access to more reliable and timely safety information. Although I am certainly not opposed to FAA's effort toward automation and consolidation to increase inspector productivity, I believe these improvements should be used to increase the effectiveness of the inspector work force, not act as a substitute for it.

Along these lines, I would be interested in hearing more about when this system is expected to be fully operational, what functions it will perform, and how it will affect both the short- and long-term staffing levels in the air carrier inspector work force.

I would also be interested in hearing more about the FAA's field office modernization program which I understand has the potential of freeing up inspectors to conduct more safety inspections and surveillance.

Mr. Chairman, I know that Administrator Helms is as concerned as the rest of us about improving aviation safety and I look forward to a constructive dialog on this issue during our hearing today. Therefore, I want to take this opportunity to welcome the Administrator to our hearing this morning, to thank him for taking the time to present his testimony, and to be ready to answer any questions that we might have.

Thank you, Mr. Chairman.

Mr. MINETA. Thank you very much, Mr. Hammerschmidt.

Is there anyone else who would like to give an opening statement?

[No response.]

Mr. MINETA. Mr. Helms, we are pleased to have you here, and frankly, as the person who chairs the Subcommittee on Aviation on the House side, we are pleased to have your stewardship and leadership being exhibited at the FAA. So, please go ahead and proceed in your own fashion. We do have your statement, which will be made a part of the record.

[Statement referred to follows:]

STATEMENT OF THE HONORABLE J. LYNN HELMS, FEDERAL AVIATION ADMINISTRATOR, BEFORE THE HOUSE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, SUBCOMMITTEE ON AVIATION, CONCERNING AIR CARRIER INSPECTOR STAFFING. NOVEMBER 10, 1983.

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here to discuss FAA's air carrier inspector staffing. I understand that the Subcommittee has a number of concerns regarding this area, and I welcome the opportunity to address those concerns. I would like to begin by giving you an oveview of how I believe the agency must manage its workload to accomplish its safety mission now and in the future, and then focus specifically on the inspector staffing area.

Shortly after I came to the FAA in 1981, it became apparent to me that the single most significant challenge facing the agency was the expected doubling of the number of active aircraft in the nation's airspace over the next decade. Our task was to determine how the agency could meet its safety responsibilities in the face of this increased aviation activity. One fact was clear--the agency was not going to be able to do this by doubling its workforce. We simply cannot grow as fast as aviation is going to grow. I determined that we needed to make our operations more efficient and productive. My approach to this was the same as the private sector has been doing for years--automate, consolidate, and improve management of resources. This has resulted in a number of new programs with

which the Subcommittee is already familiar. For example, in the area of air traffic control, I devised the National Airspace System Plan, which is a 10 year plan to update our equipment--replacing machinery and computers of the 1960's vintage, which are fast becoming outmoded, with state-of-the art technology. This will allow us to control more air traffic more safely and more efficiently, with fewer controllers than we had on board 2 1/2 years ago. Using this newer technology to automate routine tasks will allow one controller to manage the workload that would have taken two or three controllers using the old equipment.

As part of the NAS Plan, I initiated the National Airspace Review (NAR), a comprehensive 28 month study of the airspace and procedural aspects of the air traffic control system geared towards recommending changes to promote greater efficiency for all users. FAA has has sought and obtained widespread participation from industry, labor, and foreign aviation groups, as well as government entities. This effort has produced 511 recommendations to date, many of which will be implemented in the coming year.

In the last few weeks, FAA and DOT have outlined to the House and Senate Appropriations Committees a comprehensive plan to consolidate FAA facilities that will save $250 million over the

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next ten years, and will allow us to gain economies of scale and provide better services, through specialization and real-time communication of information, to system users.

In the management area, I have implemented a Management-By-Objectives (MBO) approach throughout the agency to train managers to best maximize productivity from their staffs. In addition, I have launched an agency-wide human relations campaign to ensure that the focus on automation and management of resources does not cause us to lose sight of the individual employees--the single most valuable resource the FAA has. Ensuring that the transition to new systems is done with an understanding of the impact it has on the workers will help to alleviate problems which employees otherwise might have in adapting to new systems. I want all our employees to be a part of the restructuring of the FAA--to realize that they will not lose their jobs as a result of automation, consolidation, or management initiatives, but rather that their jobs will become more interesting and they can be more productive as automation can take over some of the more routine tasks.

Having outlined the basic thrust of my agency-wide initiatives, Mr. Chairman, I would now like to show you how I have applied these to our air carrier inspection operations.

We have moved to update the data processing and retrieval functions of the inspector workforce through automation. As in the area of air traffic control, I found that the inspector workforce was working with outdated equipment. Because of it, they were bogged down in paperwork--filling out forms relating to inspections. Through our Field Office Modernization (FOM) Program, inspectors will now be able to dictate this information into machines and have it transcribed, often via telephone, back in their offices. Thus, a considerable amount of inspector work-time will be freed up to allow them to conduct more inspections in the field--visiting manufacturers, operators, air agencies, etc.

Through the Aviation Safety Analysis System (ASAS) this information will be transmitted to regional and national data bases. As a result, safety data--including trends detected by the computer--will be more readily available on a timely basis to our safety personnel directly involved in certification, surveillance, and enforcement activities. This will help an inspector manage his workload, because the computerized data quickly indicates which manufacturers, operators, or other aviation facilities have not been inspected recently. Also, trends can be analyzed to indicate where attention may need to be focused. Installation of the dictation equipment is now complete, and 65 of the 200 information processors are installed and in use. The remainder are scheduled for

installation by the end of next year. Thus, we have already begun to realize the benefits of this program, and even greater increases in inspector productivity should occur next year.

As in other FAA activities, I have found that the Aviation Standards functions could be performed more efficiently through a consolidation of facilities in the field. The historic alignment of district offices into General Aviation District Offices (GADO's) and Air Carrier District Offices (ACDO's) has resulted in inefficiencies. This has been exacerbated by the increased activity of commuters, and the development of some commuters into larger air carrier operations. Old distinctions in terms of equipment used have become blurred, and it is evident that the cross-utilization of air carrier and general aviation personnel will result in greater efficiencies in accomplishing the agency's mission. Therefore, cross-training of the inspector workforce is underway, and many of the offices will be combined into Flight Standards District Offices (FSDO's), which will perform the functions of both GADO's and ACDO's, while permitting a reduction in unnecessary administrative overhead.

A significant restructuring of an Aviation Standards District Office has been underway this past year in Miami. In addition to the creation of the Miami FSDO, which combined the Southern

Florida ACDO and GADO functions, an Aircrew Program Manager (APM)/Aircrew Program Designee (APD) Program was instituted as part of a new Flight Standards Management Concept. The basic premise of this concept is that instead of an FAA inspector being responsible for actually observing and certifying every air carrier pilot, an FAA Aircrew Program Manager will specialize in one or two aircraft, receive specialized training on the certificate holder's programs and procedures, and will train, select and monitor aircrew program designees--employees of the airline who will be responsible for certifying the aircrews of the carrier. As the Subcommittee knows, the concept of industry designees has been successfully used in other areas such as aircraft certification. While others may be skeptical of the rigor with which an airline employee will apply FAA standards to his own company, preliminary data from the Southern Region indicates that the failure rate for pilots tested by designees is slightly higher than it has been for those tested by FAA inspectors. Moreover, these designees will, of course, continue to be closely monitored by the FAA aircrew program manager.

Based on the Miami experience, we expect this manager/designee program to result in a savings of about 2.5 inspectors per aircrew program manager. When implemented nationally, we anticipate this will result in freeing up about 20% of our air carrier inspector workforce.

Implementing the management by objectives approach has changed our approach to aviation standards work. Previously, our focus in air crew performance, for example, was on doing X number of en route inspections in the cockpit. Our role in these areas has been likened to that of the "cop-on-the beat." This is true in one sense--the possibility of an inspector making a random check is likely to have a deterrent effect on people who might otherwise fail to exercise proper discipline in following required procedures. There is a benefit to having a crew know that it might be subject to an inspection at any time; it keeps people on their toes. However, as you might expect, once an inspector shows up in the cockpit, the crew almost always performs its functions "by-the-book"-that is, the thousands of random inspections we carry out each year result in very few instances where we find flight crews violating the rules. Therefore, we concluded that our resources could be better put to use by focusing on ensuring that our procedures would be followed in those instances where we are not on the scene. In this regard I think it would be more helpful to view our role as a quality control function, rather than the cop-on-the beat. One method of testing quality control, is, of course, random inspections--and we will continue this to a degree. However, this is not the main way to ensure quality control. In a manufacturing concern, for example, random quality checks are used mainly to assess the quality control systems in effect

in the manufacturing of the product--such as specifications of materials and procedures to be used in producing the item. To carry out our operational safety responsibilities, this has led us to focus, for example, on the training programs of the operators, which "produce" the pilots. The quality of these pilots is directly dependent upon the quality of the training programs they receive. Our experience has shown us that the professionalism of the air carrier pilots is such that if they receive proper training, they will follow these procedures when they fly. Thus, we believe that focusing on the systems will ensure better overall quality than merely performing X number of en route inspections.

As I indicated, we will still do en route checks to maintain a deterrent effect. And even though air carrier inspectors might be doing fewer checks to free up their time to do more productive work such as monitoring crew training, dispatching systems, maintenance systems, and the like, we have supplemented the number of en route inspections they do with random checks by qualified administrative personnel. For instance, if Mr. Luffsey has to visit one of our facilities outside this area and he is traveling by commercial air carrier, he might occupy the observer's seat in tne cockpit to observe the flight crew performing their duties. I myself, try to do this on a regular basis. For instance, I might go from

point A to point B, riding in the cockpit jumpseat of one carrier, and then I would return from B to A on a different carrier. In fact, I have done this within the last month. While we don't necessarily fill out all the forms that a flight inspector would, I can assure you that the deterrent effect is just as great when an air crew knows that the Administrator, Deputy Administrator, Associate Administrators, or other qualified FAA staffmembers might observe their procedures.

Other management initiatives have flowed from the decentralized approach we now take. Instead of detailed requirements from Washington on the number of each type of inspection to be performed by the regions, we give the regions the opportunity to maximize the productivity of their workforce, to put resources where they can do the most good. We have initiated a management training course designed specifically for aviation standards field office managers, so they will be better able to manage the resources available to them under the new approach. The curriculum has been prototyped, evaluated, and approved and the first course starts next week at the FAA Academy in Oklahoma.

We must have the capability to direct resources, within offices as well as within regions, in order to perform our work where the demand is. As you are aware, Mr. Chairman, the advent of

deregulation has spawned a high level of aviation activity in areas where it had not been so great before. New carriers, based in different locations, require significant FAA oversight. Likewise, older carriers have moved into new areas, causing an increase in FAA responsiblities. And, as the general population moves to the South, Southwest, and West, aviation activity follows it. For example, Stapleton Airport in Denver has expanded its operations very rapidly, and this has caused an increase in our workload that strained the capabilities of our local offices. Consequently, I authorized the temporary transfer of inspectors there until the situation stabilizes. Moreover, I have, in the past, given Mr. Luffsey an additional 100 temporary positions in the field which he has distributed as workload has shifted. I have also allotted an additional 200 engineering positions in other areas such as certification. The point is this--when positions are needed for safety, I will not hesitate to allocate them, and if I cannot adjust our current authorizations internally to take care of a situation, I would not hesitate to seek additional authorized positions from the Congress. I have not seen the need to do so.

Mr. Chairman, I know that you have expressed concern over the fact that a significant portion of our inspector workforce is approaching retirement age. I share your concern. This is one

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of the reasons I set up the aviation education program which is now underway at 13 colleges, with a curriculum endorsed by FAA. Graduates of these programs will be an excellent pool from which to draw trainees for safety inspector positions. The first graduates are expected in the next year or two. I believe this will, in large part, take care of our long-term needs.

For the short-term, if an unanticipated level of attrition were to occur, we have a relatively large pool of individuals available who are uniquely qualified to serve as air carrier inspectors--furloughed pilots who are now employed by FAA as air traffic assistants. These individuals, because of their familiarity with air carrier practices as well as the air traffic control system, would be capable of performing as inspectors in a relatively short time frame. I assure you that I would draw upon this resource only if I were convinced that the air traffic control system rebuilding effort would not be compromised.

At this point, it is not at all clear that such steps will be needed. Apart from the potential replacement of inspectors who may retire, I do not anticipate the need for additional staffing in this area. Our data indicates that authorized air carrier operations and airworthiness inspector positions

declined only 1.2% from 1982 to 1983. Although a further decline in authorized positions is scheduled for 1984, our actual on-board strength will increase by one. Thus, I don't believe that position cuts have or will hurt our ability to fulfill our safety duties. If I did, I would have requested additional positions. And if there were indications that future requirements would increase due to retirements or otherwise, I believe we have a qualified group of people to choose from, regardless of any hiring freezes which may be in effect.

To summarize, Mr. Chairman, we believe that the basic steps we have taken, and are continuing to take, to increase productivity in the inspector workforce--automation, consolidation, and improved management of resources--will allow FAA to continue to meet its safety mandate. In fact, I believe that our redefined focus on training, dispatching and maintenance systems, along with spot checks in the field, will result in <u>improved</u> safety in air carrier operations. I must emphasize that, despite our focus on systems, we will retain our ability to direct our surveillance and inspection efforts at an intensified level when necessary. For instance, at one point during the past year, when we became concerned with a possible problem that might develop with a particular carrier, we increased our surveillance. In fact, at one location we had

an inspector on every other plane that carrier put in the air. We likewise increased our surveillance of that carrier's maintenance and other operations. Our forthcoming field modernization/ASAS program should improve our capabilities in this regard by flagging possible trends even earlier than we can now detect them. In short, I have complete confidence that our aviation standards functions will continue to improve and promote even greater levels of safety in aviation.

That concludes my prepared statement, Mr. Chairman. At this time, we would be pleased to respond to your questions.

Mr. MINETA. Please proceed.

TESTIMONY OF HON. J. LYNN HELMS, ADMINISTRATOR, FEDERAL AVIATION ADMINISTRATION, ACCOMPANIED BY WALKER LUFFSEY, ASSOCIATE ADMINISTRATOR, KENNETH HUNT, HOMER C. McCLURE, CHARLES A. HUETTNER, MULVILLE J. NURGUARD, AND WILLIAM DUBUS

Mr. HELMS. Thank you, Mr. Chairman and members of the subcommittee.

My relationship with the chairman and with this subcommittee and its members has been such that I fully appreciate that when they raise an issue, there is sufficient cause for me to review it in detail. I welcome that opportunity to do so today.

With me today in the event that there are detailed questions, although I intend to response to all that I can myself, are Mr. Kenneth S. Hunt, the Director of the Office of Flight Operations, and to give the subcommittee a view from the field, because too often I am the spokesman for the FAA, and I want to have people understand what is happening out in the field if that is their desire: Mr. Homer C. McClure, the Director of the Western Pacific region; Mr. Charles H. Huettner, who is the Manager of the Flight Standards Division in the southern region; Mr. Mulville J. Nurguard, who is the Manager of the Miami Flight Standards District Office; and Mr. William Dubus, who is the air carrier program manager for the 757 program for Eastern Airlines.

I understand that the subcommittee has a number of concerns regarding this area. And, as I said, I welcome the opportunity to address those concerns. I would like to begin by giving you an overview of how I believe the agency must manage its workload to accomplish its safety mission now and in the future and then focus more specifically on the inspector staffing area.

Shortly after I came to the FAA in 1981, it became apparent to me that the single most significant challenge facing the agency was the expected doubling of the number of active aircraft in the Nation's airspace over the next decade. Our task was to determine how the agency could meet its safety responsibilities in the face of this increased aviation activity.

One fact was clear: this agency was not going to be able to do it by merely doubling its work force. We simply cannot grow, train, and integrate as fast as aviation is going to grow.

I determined that we needed to make our operations more efficient and productive. My approach to this was the same as the private sector has been doing for years, to automate, consolidate, and improve management of resources. And that latter one is very key.

This has resulted in a number of new programs with which the subcommittee is already familiar. For example, in the area of air traffic control, I devised the National Airspace System Plan, which is a 10-year plan to update our equipment, replacing machinery and computers of the 1960's vintage, which are fast becoming outmoded, with state of the art technology.

This will allow us to control more aircraft more safely and more efficiently with fewer controllers than we had on board 2½ years ago. Using this newer technology to automate routine tasks will

allow one controller to manage the workload that would have taken two to three controllers using the old equipment.

As part of the NAS Plan also, I initiated the National Airspace Review, a comprehensive 28 month study of the airspace and procedural aspects of the air traffic control system, geared toward recommending changes to promote greater efficiency for all users. FAA has sought and obtained widespread participation from industry, labor, and foreign aviation groups, as well as other Government entities. This effort thus far has produced 511 recommendations, many of which will be implemented in the coming year.

In the last few weeks, the Federal Aviation Administration and Department of Transportation have outlined to the House and Senate appropriations committees a comprehensive plan to consolidate FAA facilities that will save some $250 million over the next 10 years and will allow us to gain economies of scale and provide better services through specialization and real time communication of information to the system users.

In the management area, I have implemented a management by objectives or MBO approach throughout the agency to train managers to best maximize productivity from their staffs and to be measured against those objectives. In addition, I have launched an agency-wide human relations campaign to ensure that the focus on automation and management of resources does not cause us to lose sight of the individual employees. Those employees are the single most valuable resource the FAA has.

Insuring that the transition to new systems is done with an understanding of the impact it has on the workers will help to alleviate problems that employees otherwise might have in adapting to these new systems. I want all our employees to be a part of the restructuring of the FAA, to realize that they will not lose their jobs as a result of automation, consolidation, or management initiatives, but rather that their jobs will become more interesting and that they can become more productive as automation can take over some of the more routine tasks.

Having outlined the basic thrust, then, of my agencywide initiatives, Mr. Chairman, I would now like to show you how I have applied those to our air carrier inspection operations. We have moved to update the data processing and retrieval functions of the inspector workforce through automation. As in the area of air traffic control, I found that the inspector work force was working with outdated equipment. Because of it they were bogged down in paperwork, filling out forms related to inspections. Through our field office modernization program, inspectors will now be able to dictate this information into machines and have it transcribed, often via telephone back to their offices. Thus, a considerable amount of inspector work time will be freed up to allow them to conduct more inspections in the field, visiting manufacturers, operators, air agencies, et cetera. And I am prepared to quantify this later if the Chairman desires.

Through the Aviation Safety Analysis System, this information will be transmitted to regional and national data bases. As a result, safety data, including trends detected by computer analysis, will be more readily available on a more timely basis to our safety person-

nel directly involved in certification, surveillance, and enforcement activities.

This will help an inspector to manage his workload because the computerized data quickly indicate which manufacturers or operators or other aviation facilities have not been inspected recently. Also trends can be analyzed to indicate where attention may need to be focused.

Installation of the dictation equipment is now complete, and as of November 7, 1981 of the 200 information processors are installed and in use. The remainder are scheduled for installation by the end of next year. Thus, we have already begun to realize the benefits of this program. And even greater increases in inspector productivity should occur next year.

As in other FAA activities, I have found that the aviation standards function could be performed more efficiently through a consolidation of facilities in the field. The historic alignment of district offices and general aviation district offices and air carrier district offices has resulted in inefficiencies. This has been exacerbated by the increased activity of commuters and the development of some commuters into larger air carrier operations. Old distinctions in terms of equipment that has been used have become blurred, and it is evident that the cross utilization of air carrier and general aviation personnel will result in greater efficiencies in accomplishing the Agency's mission.

Therefore, cross training of the inspector work force is underway, and many of the offices will be combined into flight standards district offices, which will perform the functions of both the GADOs and the ACDOs, while permitting a reduction in unnecessary administrative overhead. That reduction allows us to increase the number of inspectors.

A significant restructuring of an aviation standards district office has been underway this past year in Miami. In addition to the creation of the Miami flight standards district office, which combined the southern Florida air carrier district office and the general aviation district office functions, an aircrew program manager/aircrew designee program was instituted as part of a new flight standards management concept.

The basic premise of this concept is that instead of an FAA inspector being responsible for actually observing and certifying every air carrier pilot, an FAA aircrew program manager will specialize in one or two aircraft, receive specialized training on the certificate holder's programs and procedures, and will train, select, and monitor aircrew program designees—employees of the airline who will be responsible for certifying the aircrews of the carrier.

As the subcommittee knows, the concept of industry designees has been successfully used in other areas, such as aircraft certification, and has been an integral part of the FAA's operation for over 20 years. While others may be skeptical of the rigor with which an airline employee will apply FAA standards to his own company, preliminary data from the southern region indicates that the failure rate for pilots tested by designees is slightly higher than it has been for those tested by FAA inspectors. Moreover, these designees will, of course, continue to be closely monitored by the FAA aircrew program manager. Based on the Miami experience, we expect

the manager/designee program to result in a savings of about two and a half inspectors per aircrew program manager. When implemented nationally, we anticipate this will result in freeing up about 20 percent of our air carrier inspector workforce. I wish to emphasize that does not mean we would terminate those employees, but rather give us the freedom to put them on high priority inspection efforts.

Implementing the management by objectives approach has changed our approach to aviation standards work. Previously, our purpose in aircrew performance, for example, was on doing *x* number of en route inspections in the cockpit. Our role in these areas has been likened to that of the cop on the beat. This is true in one sense. The possibility of an inspector making a random check is likely to have a deterrent effect on people who might otherwise fail to exercise proper discipline in following required procedures. There is a benefit to having a crew know that it might be subject to an inspection at any time. It keeps people on their toes. However, as you might expect, once an inspector shows up in the cockpit, the crew almost always performs its functions by the book. That is, the thousands of random inspections we carry out each year result in very, very few instances where we find flight crews violating the rules. Therefore, we concluded that our resources could be better put to use by focusing on insuring that our procedures would be followed in those instances where we were not on the scene.

In this regard, I think it would be more helpful to view our role as a quality control function, rather than the cop on the beat. One method of testing quality control is of course random inspections, and we will continue this to a degree. However, this is not the main way to insure quality control. In a manufacturing concern, for example, random quality checks are used mainly to assess the quality control systems in effect in the manufacturing of the product, such as specifications of materials and procedures to be used in producing the item.

To carry out our operational safety responsibilities, this has led us to focus, for example, on the training programs of the operators which, if you will, produce the pilots. The quality of these pilots is directly dependent upon the quality of the training programs they receive. Our experience has shown us that the professionalism of the air carrier pilots is such that if they receive proper training, they will follow these procedures when they fly. Thus, we believe that focusing on those systems which produce these pilots will insure better overall quality than merely performing *x* number of en route inspections. As I indicated, we will still do en route checks to maintain a deterrent effect.

And even though air carrier inspectors might be doing fewer checks to free up their time to do more productive work, such as monitoring that crew training, dispatching systems, maintenance systems, and others, we have supplemented the number of en route inspections they do with random checks by qualified administrative personnel. For instance, if Mr. Luffsey has to visit one of our facilities outside this area and he is traveling by commercial air carrier, he might occupy the observer seat in the cockpit to observe the flight crew performing their duties. I myself try to do this on a reg-

ular basis. For instance, I might go from point A to point B, riding in the jump seat of one carrier, and I would return from B to A on a different carrer.

In fact, I have done this within the last month, and I attempt to do it once every month. While we do not necessarily fill out all the forms that a flight inspector would, I can assure you that the deterrent effect is just as great when the aircrew knows that the Administrator, the Deputy Administrator, the Associate Administrators, or other qualified FAA staff members might observe their procedures.

Other management initiatives have flowed from the decentralized approach we now take. Instead of detailed requirements from Washington on the number of each type of inspection to be performed by the regions, we give the regions the opportunity to maximize the productivity of their workforce, to put the resources where they can do the most good.

We have initiated a management training course designed specifically for aviation standards field managers so they will be better able to manage the resources available to them under the new approach. The curriculum has been prototyped, evaluated, and approved, and the first course starts next week at the FAA Academy in Oklahoma.

We must have the capability to direct resources within offices as well as in regions in order to perform our work where the demand is. As you are aware, Mr. Chairman, the advent of deregulation has spawned a high level of aviation activity in areas where it had not been so great before. New carriers, based in different locations, require significant FAA oversight. Likewise, older carriers have moved into new areas, causing an increase in FAA responsibilities. And as the general population moves to the south, the southwest, and the west, aviation activity follows it.

For example, Stapleton Airport in Denver has expanded its operations very rapidly. It is now the fifth busiest airport in the United States. And this has caused an increase in our workload that strains the capabilities of our local offices. Consequently, I authorized the temporary transfer of inspectors there until the situation stabilizes. I emphasize again the need for the flexibility within that workforce.

Moreover, I have in the past given Mr. Luffsey an additional 100 temporary positions in the field, which he has distributed as the workload as shifted. I have also allotted an additional 200 engineering positions in other areas such as certification. The point is this: when positions are needed for safety, I will not hesitate to allocate them. And if I cannot adjust our current authorizations internally to take care of the situation, I would not hesitate to seek additional authorized positions from the Congress. Thus far I have not seen the need to do so.

Mr. Chairman, I know that you have expressed concern over the fact that a significant portion of our inspector workforce is approaching retirement age, and I share your concern. This is one of the reasons I initiated the aviation education program, which is now underway at 13 colleges with a curriculum endorsed by FAA. Graduates of these programs will be an excellent pool from which to draw trainees for safety inspector positions. The first graduates

are expected in June of next spring from the University of North Dakota. I believe this will, in large part, take care of our long range needs.

For the short term, if an unanticipated level of attrition were to occur, we have a relatively large pool of individuals available who are uniquely qualified to serve as air carrier inspectors—furloughed pilots who are now employed by FAA as air traffic assistants. These individuals, because of their familiarity with air carrier practices as well as the air traffic control system, would be capable of performing as inspectors in a relatively short time.

I assure you that I would draw upon this resource only if I were convinced that the air traffic control system rebuilding effort would not be compromised. But the fact that they are now employees now on our rolls and can be made available clearly shows we have a large pool from which to draw if the need should arise.

At this point I wish to emphasize it is not at all clear that such steps will be needed. Apart from the potential replacement of inspectors who may retire, I do not anticipate the need for additional staffing in this area. Our data indicates that authorized air carrier operations and air worthiness inspector positions declined only 1.2 percent from 1982 to 1983. And I am aware of the other numbers shown in the chairman's opening statement.

Although a further decline in authorized positions is scheduled for 1984, our actual onboard strength will increase by one; thus, I do not believe that position cuts have or will hurt our ability to fulfil our safety duties. If I did, I would have requested additional positions. And if there were indications that future requirements would increase due to retirements or otherwise, I believe we have a qualified group of people to choose from regardless of any hiring freezes which may be in effect.

To summarize, Mr. Chairman, we believe that we have taken the basic steps and are continuing to take them to increase productivity in the inspector work force, automation, consolidation, and improved management of resources, those steps which will allow the FAA to continue to meet its safety mandate.

We have absolutely no intent in any way to reduce our safety effort or to take any shortcuts. I have complete confidence that our aviation standards function will continue to improve and promote even greater levels of safety in aviation. And I fully am aware that the chairman and every member of this committee subscribes to that effort.

We thank you for the opportunity to present the prepared statement, Mr. Chairman. And at this time I would be pleased to respond to questions.

Mr. MINETA. Thank you very much, Mr. Helms, for your very complete and fine statement.

I would just note that on page 10 you specifically talk about the expanded operations at Stapleton Airport in Denver. I did not realize it was getting so expanded that we are now having to utilize taxiways in order to land there.

Mr. HELMS. I am not aware that that is normal operating procedure, Mr. Chairman.

Mr. MINETA. Mr. Helms, in your prepared statement you say that authorized inspector positions have declined only 1.2 percent

from 1982 to 1983. Now, I really want to avoid a debate between accountants here, but let me cross check our numbers in the following way: the 1981 authorized inspector positions, not counting office chiefs, was 638. Is that correct?

Mr. HELMS. No, sir. My data shows that for air carrier, technical, and clerical was 674 authorized and 621 employed.

Oh, excuse me, not counting chiefs. I beg your pardon.

Mr. MINETA. Not counting chiefs.

Our "638" figure for 1981 authorized inspector positions came from your own shop. Why——

Mr. HELMS. Mr. Chairman, your figure is correct, if we take the chiefs out.

Mr. MINETA. The 638 is correct?

Mr. HELMS. Yes, sir.

Mr. MINETA. All right. Now, the 1983 authorized inspector positions, not counting office chiefs again, was 534. Now, is that correct?

Mr. HELMS. Yes, sir.

Mr. MINETA. Now, again, just using simple arithmatic would that not be a 16 percent reduction in authorized inspector positions from 1981 to 1983?

Mr. HELMS. I believe that is correct, Mr. Chairman.

Mr. MINETA. Now, in your testimony on page 12 you say that, "A further decline in authorized positions is scheduled for 1984."

Now, our discussions with your Flight Standards people indicate that that reduction will be another 7 percent in authorized inspector position reductions or for the fiscal year that we are now in fiscal year 1984. Is that correct?

Mr. HELMS. On authorized positions, I believe that is correct, yes, Mr. Chairman.

Mr. MINETA. So in the period since you have become Administrator, there has been roughly a 22 to 23 percent reduction in authorized safety inspectors; is that correct?

Mr. HELMS. In the total of operation and maintenance, the authorized positions, yes, that is correct, Mr. Chairman.

Mr. MINETA. Now, you state on page 1 of your testimony that aviation activity is rapidly growing, that you could not hope to deal with that activity growth by having a parallel growth in staffing, and so you decided that the agency's efficiency and productivity needed to be enhanced in order to handle twice the activity with less than twice the work force.

But that is not the situation we are dealing with here, is it?

Mr. HELMS. No, sir, it is not, and the reason is that the chairman is talking about positions. Now let us talk about actual employees that have been aboard during that time period. For example, in 1982 there were 519. In 1983 there were 537. We actually increased.

And under the authority which I have given Mr. Luffsey, it could be as high as 578 in 1984. Recognizing that the number of authorized positions was going down and also recognzing my concern that during the transition period that I could not take any risks, I authorized him an additional 100 temporary positions, 70 have been released for the field, and 30 have been filled.

He has the authority to hire an additional 70 people if it is required, Mr. Chairman.

The net summary is the number of inspectors has gone up from 1982, 1983, and 1984.

Mr. MINETA. Now, are those temporary positions authorized for full time?

Mr. HELMS. They are not full time, Mr. Chairman. The additional 100 are temporary positions. That is not an abnormal thing within the Government, and I do have the authority to do that outside the freeze.

But aside from the freeze, if I had any concern about safety, we would go ahead and do so.

In addition, Mr. Chairman, as I indicated in my opening statement, I have a pool of over 400 air carrier pilots who are now air traffic assistants working in the FAA from which I can draw at any time if it is necessary to increase the inspector workforce.

Mr. MINETA. With regards to the nature of the responsibilities those 18 or 20 temporary inspectors, going from 519 to 537, are those temporaries doing the full scope of work that would otherwise be done by an inspector, or are they just doing some specialized form of inspection services?

Mr. HELMS. They are normal replacements, Mr. Chairman. As you are aware, we have operations inspectors; we have maintenance inspectors, and we put them in that particular slot where they are needed at the time. But to the extent that they are assigned a task, they do the full task, the full scope of work that any other inspector would do.

This came about, of course——

Mr. MINETA. So, let me follow up on this.

Mr. HELMS. Yes, sir.

Mr. MINETA. They are not going to be involved in limited or selected inspection activities. They are in fact going to be doing all of the functions, whether they be air carrier inspectors or maintenance inspectors. They will be doing that full prescribed duties even though they are temporary.

Mr. HELMS. They go through the normal training program that a permanent full time equivalent or a permanent employee would do.

They go through the same training. Once they have completed that, they are assigned to precisely the same type of inspection routine that any other employee would do. And they will be doing that in its entirety. There are no shortcuts. There are no restrictions on those people.

Mr. MINETA. And how long does that training take to——

Mr. HELMS. It depends on the individual, Mr. Chairman, but generally I am going to say as little as 60 days and as long as 180 days. It depends on the qualifications of the individual that applies. Obviously, we prefer those that average out at about 90 to 120 days.

Mr. MINETA. And how long will they be serving as temporaries in these slots?

Mr. HELMS. We are allowed to retain them for 2 years, Mr. Chairman.

Mr. MINETA. And are you in the meantime going to be asking for an increased number of permanent authorized positions in either the air carrier operations inspector work force or in the maintenance work force?

Mr. HELMS. At the present time we do not think so, but I think a parallel to that, Mr. Chairman, is I also believe that we have gone as low as we had planned to. I do not envision future cuts in 1985, 1986, and 1987.

It is important to back up to the 1982 time period when we made the decision to modernize the system and recognizing that the field office modernization program would in fact, if it duplicated what the field test programs show, give us an 18 percent increase in the productive time of every inspector. If you apply that across the system, that was equal to 169 positions.

In addition, then, we have had other efforts increasing the productivity. Therefore, we forecast that decrease, and that is the reason that you are seeing the decline from 1981 through 1983 and into 1984. I do not envision there will be further decreases, but rather the additional improvements that we will get in productivity will be used to expand the number of inspections.

Let me cite a typical example, and perhaps it will serve as the basis for the chairman in posing other questions. We normally do some 18,000 en route inspections a year with one of our inspectors in the jump seat. We rarely find a dozen violations in a year. It would be far more productive, then, to take half of that and put that effort into the ground inspecting rounds to make sure that the wings are being deiced, the dispatcher is properly filling out the forms, the weight and balance data is accurate, fuel trucks are, in fact, being protected against snow or ice coming in.

There are other ways to use that talent more productively. Therefore, what we are doing is trying to increase the productivity of this individual and not use him merely sitting in an airplane in many cases.

Mr. MINETA. All right. Let me get to the en route issues a little later on.

Mr. Helms, you are saying here that you are tailoring your work force to fit the workload. And you point out as an example on page 10 of your testimony that, "Stapleton Airport in Denver has expanded its operations very rapidly, and this has caused increased workload that strains the capabilities of our local offices."

And I agree with that statement. However, the facts are that the Denver ACDO has suffered more inspector cuts than almost any other ACDO from the beginning of fiscal year 1980 through the end of fiscal year 1983. The number of operations inspectors in Denver has declined by 37 percent, far worse than the general cuts in inspectors nationwide.

How does it help the Denver office deal with expanded operations to cut their inspector staff by 37 percent? And how is that tailoring the work force to fit the workload?

Mr. HELMS. As the chairman is aware, there has been a significant increase in commuter operations and in the diversity of the scheduled air carriers. As I noted, the way we get productivity is to have greater flexibility. During the time period and the events the chairman referenced, we shifted inspectors from the Fort Worth region, Dallas-Fort Worth and others to supplant the Denver area.

For example, during calendar 1982 in that region which would have been the southwest region, 180 inspector days of work from

one region went to another in support of it. In 1983 only through October 31, 200 individuals for 190 work days were transferred.

It is this type of flexibility that I am talking about. By being able to move the inspector work force around, we directly respond to that area which needs it badly. The worst example if you want to use it as worst—and I prefer to think of the best example of the flexibility—is shown in the western Pacific region.

In 1982, 275 of our inspectors spent 932 work days supporting other operations in other areas. In 1983 only through October——

Mr. MINETA. Mr. Helms, excuse me. Let me stop you just 1 minute.

Mr. HELMS. Yes, sir.

Mr. MINETA. The fact that you have taken them from Dallas raises a question. Now, Dallas has also experienced a large growth in activity. What has happened then in Dallas as you transfer the 190 work days, and shift them over to Denver? What has happened to Dallas, because we have seen that same growth there.

Mr. HELMS. The people are transferred on a TDY basis first. But second, if we go back and examine the number of operations DFW, with the closing down of Braniff, there was a drastic reduction in the number of air carrier operations at DFW. And in fact during the period of the illegal air traffic control strike, we had a significant reduction in the number of air operations between Houston and DFW. We did not lay off any inspectors or cut them down. Therefore, we had additional capacity that was available during that time period.

I should note how we used that capacity, Mr. Chairman. During 1981 we recertified all of the part 135 operators; over 4,500 of them were recertified. Having completed that in 1981, then, allowed our workload to start to decrease in 1982, and that additional talent became available for us.

Mr. MINETA. Now, what we learned in the field was that the cuts in the Denver area were not made by assessing the workload in different places, but were made simply wherever attrition happened to take place. If one location had a disproportionate share of retirements, it got a disproportionate share of position cuts without regard to its workload.

And would you care to comment on that?

Mr. HELMS. I have a responsibility to all of our employees to take every step we can to reduce the human impact on them. And if we have retirements in one area, to have people uproot their homes and go to another location merely to fulfil a mathematical percentage is not fair to that family.

Therefore, what I try to do is take a look at it and see how much activity is there and see if I can rotate this on a TDY basis from other locations. The fact that we have clearly demonstrated—it has been factually proven that by using the field office modernization program, we have an 18-percent increase in productivity there. And with the aircrew program manager and the aircrew program designee program, we will have a further 20-percent increase in productivity. This means that the equivalent basis of 250 additional inspectors could be reduced in the next 3 years.

But as I indicated earlier, I have absolutely no plans to reduce any further. In fact, as I mentioned, our employment will be higher in 1984 than it was in 1983.

Mr. MINETA. Now, when you refer to that 20 percent, does that relate to the activities in the Denver region, or is that an 18 percent improvement in productivity on a national basis.

Mr. HELMS. We have not yet fully implemented it on a national basis. It is now throughout the southern region. It is in process of going national. But we did study it for some months and let the employees themselves make the determination of productivity.

But it would obviously be applicable in the Denver area also. The important thing is, with the reduction in the assigned personnel to the Denver area, I had no hesitance in moving them from other regions in to make absolutely certain we maintained the level of air carrier inspections and general aviation inspections in that area.

Mr. MINETA. Now, a basic premise of your testimony is that the cuts in inspector staffing are more than offset by productivity enhancements. Now, is it your position that the value of these productivity enhancements is so great that it is not only making up for a 23-percent staff cut, but that it can also absorb all the additional workload of these recent years?

Mr. HELMS. Yes, sir. I think in fact that the totality of the programs we have put into effect, three which are particularly outstanding—one is the field office modernization, the second is the aviation safety analysis system; and the third is the improved management training—will give us an even greater capacity than the increase in workload.

But I must build in a fallback position. I cannot take that risk. That is the reason, on my own, I authorized Mr. Luffsey to hire an additional 100 inspectors. He has only required 30. Thirty have been hired.

In addition to that, I have onboard over 400 air carrier pilots certified with ATR that could go through within 30 days fulfill that requirement. I built in that backlog as a fallback position in the event we needed it.

I do believe that the efforts we have underway will more than meet the demands of the increased activity. But I have a built in fall back position in the event that it does not.

Mr. MINETA. Now, we are talking here about staffing reductions averaging in the neighborhood of 7 or 8 percent per year. Data submitted by FAA at my request indicate that the frequency of inspections in 1983 at the 20 largest District Offices was down by 7 percent from 1982.

And that seems to indicate that despite all of your management initiatives the effect of the cutbacks in staff has been a cutback in inspection activity. I do not see any productivity dividend in the count of actual inspections, and would you comment on that and correct me or educate me on this.

Mr. HELMS. I believe the chairman is referring to the data that were furnished identified as the SPUR report. And if I am in error, then I will go on from there. Those data are not used as finite data. A major portion of it is estimated. And we discarded it in June 1981 as the basis for finite data. The reason was it included estimated data for workload measurements.

Therefore, while it has a high activity content, it has a low value of validity and we cannot use it firmly as a basis. Also, the SPUR reports include four regions that used a different method of putting it in. If, however, I go back to the totals, for example, in maintenance and operation, in 1980 we performed in a given area of en route—I will use that as an example—14,107 inspections; in 1981, 16,378.

But if you recall, as of August 3, there was a drastic reduction in the amount of flying from August through December. In 1982 it jumped to 20,313, and through the third quarter or end of the third quarter of 1983 it has been 8,785. Therefore, it would indicate that our number of inspections continued to go up until such time as we recognized that we were using an awful lot of inspector time sitting in the jump seat with very little productivity benefit. And it was better to put that time over in doing other inspections of maintenance, certifications, dispatchers, aircrew training, and those type of operations.

Mr. MINETA. Mr. Helms, your figures are coming from where? Is that the staffing standard study? Because the figures we have vary quite a bit from that.

Mr. HELMS. I understood, Mr. Chairman, that your staff had been furnished with SPUR data and I elected to make sure you and I were talking about the same numbers that were derived from the SPUR report.

Mr. MINETA. I think we have the study that you just referred to, but in response to some specific questions from our staffs, we have other figures on this.

Mr. HELMS. It is my understanding that on September 19 in response to the subcommittee's request, we furnished over 1,800 quarterly work program activity reports from 39 field offices, which included the years 1980 through 1983. And this included over 40,000 pieces of data for air carrier operations, maintenance, and avionics activity; to insure that we were in sympatico with the data that were furnished to that staff, we have tried to use that data as the basis.

If there is a difference, then somewhere there is an analytical difference, Mr. Chairman. And we would be quite pleased to follow up and find out where the discrepency lays.

Mr. MINETA. We will go over these figures, Mr. Helms.

Mr. HELMS. Mr. Chairman, I welcome the opportunity to have my staff and yours get together and make absolutely certain we are talking about the same numbers. I am just as interested in it as the committee is.

Mr. MINETA. I think what we will do is provide you with the figures that we have, and if you would go ahead and review those, so that we can find some basis from which we can then measure inspection activity.

Mr. HELMS. We will even go a step further; we will analyze those, show the impact, and then we will try to extract from our data where those differences may have come about and furnish those to the committee.

Mr. MINETA. Good. Mr. Helms, your testimony lists a number of productivity enhancements that are supposed to get you more bang out of the inspector work force. You have mentioned dictation

equipment, the Aviation Safety Analysis system, consolidation of Offices, and the Aircrew Management program.

Now, as I look at that list, however, I see mainly items that have just recently become operational, such as the dictation equipment I think only 30 of those out of the 200 are now operational. Most will not become operational for some time into the future.

The procurement of Aviation Safety Analysis system, for example, has been questioned by GAO and is coming along slowly at best. The Aircrew Management program thus far only affects a relatively small number of 767's at one airline, namely Eastern, and therefore cannot thus far have more than a miniscule effect on staffing loads nationally. It seems to me we have a situation where the cuts in inspector staffing have been going on for 2 years and yet the productivity enhancements used to justify those cuts are mostly still to come in the future.

Should the FAA have held off on staff cuts until some of these other initiatives were in place and had demonstrated the extent to which they in fact enhanced inspector productivity?

Mr. HELMS. I would like to treat those one at a time so that we can have them clarified.

As regards the aviation safety analysis system, the General Accounting Office has now withdrawn their objection and has authorized us to proceed with the central computers, and we are now underway on that. The entire aviation safety analysis system, then, will be onstream before the end of 1984.

The difference in the time period that we had planned to be onstream and when we will be onstream now is less than 90 days. So our earlier anticipation of getting those benefits still appears to be very valid.

As regards the aircrew program manager and aircrew program designee, we have five aircrew program managers designated now and 19 designees. Further, Pan Am is underway on the program. Delta is now starting to take it on. Piedmont is underway. And we have two other carriers we are in discussion with.

This clearly shows, then, that the 2.5 to 1 ratio is both viable and productive. I think it is more important than just the numbers, Mr. Chairman; my concern is the quality of that inspection. And to the extent, then, that we can improve the quality of the inspections, we get far, far more benefit.

So it is now pretty well accepted through the industry that the aircrew program manager and aircrew program designee concept provides a reduction in cost to the carrier, a reduction in cost to the government, and increases the quality of that inspection.

And the reason is that aircrew program manager can now specialize on two airplanes. I think I might give another example which shows the magnitude of this. An air carrier inspector may normally have to certify all of the pilots that a carrier employs. Using the new approach of him being the aircrew program manager he will only have to oversee the designees.

That is a reduction of his workload in time. As I indicated earlier, I do not intend to further reduce the work force. I intend to increase the productivity and the scope of their inspections. And that is how it will be used, Mr. Chairman.

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Mr. MINETA. Mr. Helms, I have no problem with that. I commend you for that. My problem is that I see the work force coming down like this and the productivity from what is being instituted coming in over here. So I see the reduction of the work force coming down faster than I see the productivity enhancements coming on line. That is all I am saying.

Mr. HELMS. Yes, sir. The only comment I could make would be if we are talking about positions, I certainly concur with the chairman. But if we are talking about people doing the work—for example, when we take a general aviation district office and an air carrier district office and put them together into a flight standards district office, we no longer need duplicate administrative personnel. We can now take that administrative personnel number of slots and make them inspectors.

Therefore, as we consolidate, I have no plans whatsoever to reduce the number of people; rather, we will convert those into inspectors.

If we take a look at the number of people employed, then we see that in 1982 it was 519, 1983 it is 507—excuse me—537 including the 30 temporary people. And he has authorization to add another 70 if he needs. So it could be some 600. The number of people has not gone down after 1983, Mr. Chairman. It has gone up.

Mr. MINETA. Thank you very much. My colleagues have been more than patient with me under the 5-minute rule.

Mr. Hammerschmidt?

Mr. HAMMERSCHMIDT. Thank you, Mr. Chairman.

The chairman has asked many, many of the questions that have been on our mind. But let me pursue with you a little bit further the aircrew management program, Mr. Helms. It is my understanding that this program originated in the FAA's southern region. Has it been used by other regions as well?

Mr. HELMS. No, sir, not yet. We felt that we had to field test it, check it out and make sure that it would work. The normal time period would have been 60 days in that time period of 90. We spent 6 months evaluating it and making absolutely certain that we had covered all of the potential loopholes or problem areas. It is now in the process of moving up into the northern part of the southern region and will expand out into other regions during 1984.

Mr. HAMMERSCHMIDT. I take it from your response it will eventually be used throughout the FAA?

Mr. HELMS. Yes, sir. We expect to do that, and it will have slightly different configurations in one area as compared to another.

For example, in Alaska, it is just a different world. You have primarily part 135 carriers operating on floats. So we have to have flexibility in the application of it. But as a philosophy, I intend that we go ahead with it on a national basis.

Mr. HAMMERSCHMIDT. What air carriers are currently participating in the program?

Mr. HELMS. Eastern has been fully certified and is underway. Pan Am is now underway on the program. Piedmont is underway on the program. Delta is just initiating their effort. American is in discussions with us, and United is in discussions with us now toward implementing the program. There seems to be, as I understand it, a general acknowledgement that this saves them money

and increases the quality of the inspection, and they are just as interested in safety as we are.

Mr. HAMMERSCHMIDT. What criteria does FAA use in deciding whether to select a particular carrier for participation?

Mr. HELMS. Well, we cannot select them, Mr. Hammerschmidt. All we can do is go to them and offer this as a way to increase both their productivity and ours. It is the same type of effort which we have had for some 20 years for medical designees who give medical examinations; flight instructors who give flight tests. So it has to be up to them to want to do it also.

But the standards we apply to their people are precisely the same we apply to an FAA inspector.

Mr. HAMMERSCHMIDT. So the airlines now in the program had the option of refusing to participate in it. But what has been the general reaction from the airlines?

Mr. HELMS. I think at first there was considerable hesitance. People do not like to do things new. They are more comfortable with the way we have always done it, and to a great extent, I think that that is probably what we are encountering with our own inspectors in the field. What we did 25 years ago was fine, but people do not want to change today.

As they recognize, however, that to the extent they are willing to accept the responsibility for the same standards that we levy on ourselves, they can then save themselves money in reducing the time that a training crew must wait for an FAA inspector. And it is to their advantage to do so.

Now that it is understood, interest is picking up, and my confidence is quite high that it will become a national program. But we are not going to try to levy it on anyone if they do not want to do it.

Mr. HAMMERSCHMIDT. In your testimony you mention that the failure rate for pilots being tested by company designees is actually higher than it has been for those tested by FAA inspectors. I wonder if you could give us the exact figures on that for the record.

Mr. HELMS. I will have to submit it for the record, Mr. Hammerschmidt. I do not have it available with me.

Mr. HAMMERSCHMIDT. We would appreciate that.

[The following was received from Mr. Helms:]

AIRCREW PROGRAM DESIGNEE FAILURE RATE

The testimony referred to preliminary data because the program has produced to date only a limited data base. The exact figures for the aircrew program designees show that out of 78 airman evaluations that were conducted, seven airmen failed. This is a rate of 9 percent, as compared to approximately a 6 percent failure rate for airman evaluations administered by FAA inspectors in the Miami office.

Mr. HAMMERSCHMIDT. Could you tell us the total number of program managers and designees currently participating in this program?

Mr. HELMS. We have five approved and fully trained aircrew program managers. We have 19 approved designees. And we are continuing to expand the program out.

Mr. HAMMERSCHMIDT. In looking at the data supplied by the Miami Flight Standards District Office, I could not help but notice that in 1979 the office handled the certificates of three scheduled

and six nonscheduled carriers. In 1983 that office now handles five scheduled and 10 nonscheduled carriers.

During this same period our data shows that staffing dropped by 6 percent. In light of this, how can the Miami FSDO effectively keep up with its enlarging responsibilities?

Mr. HELMS. The combination of the air carrier district office and the general aviation district office allowed us on a count basis or position basis to essentially eliminate one complete overhead structure and convert those positions into inspectors.

Second, by the installation of the automation equipment at that office, that is, the flight standards district office, the manager of that office is now able to program these inspections on a more routine basis. For example, in my review, oh, about 40 or 45 days ago, in talking with some of the inspectors, they commented to me that they were visiting plants now, in one case, that they had not visited in 10 years. The productivity has gone up so that the 18-percent increase in productivity to the individual and the greater productivity increase by having cross training has allowed these people to do more.

For example, in the general aviation area, 95 of those inspectors have been cross trained in the formal training program so that they can now do air carrier inspections. In the case of maintenance—the first one was operations inspectors—in the case of maintenance inspectors we have cross trained 135. This was the point that I was making reference to earlier. We have a group of our people who want to continue to do what they did 25 years ago, 20 years ago, 15 years ago. They might think, "If it is not general aviation inspection, I would rather not do it."

This Nation can no longer stand that luxury. We have to get more productivity out of the Government employee.

Mr. HAMMERSCHMIDT. Well, I guess the concern, Mr. Helms, of this committee is whether that productivity is offsetting the actual increases, a 65-percent increase in part 121 certificates in that FSDO.

Mr. HELMS. Yes, sir. And during that time period we had 20 additional temporary employees helping to do those inspections. Remember, the temporaries do not show up on the normal data. And we did use 20 additional temporary employees during that time period.

Mr. HAMMERSCHMIDT. I think another concern we have in the committee is whether staffing reflects the quantity of work which must be performed, and maybe that last response speaks to that. But again the Miami office is responsible for at least 15 part 121 certificates with more in the works I am told.

Whereas, the New York office handles only four. However, Miami has 51 inspectors compared to New York's 45. And while the explanation may be the one you just gave, there may be other factors at work here.

It strikes me that the Miami office seems to be understaffed relative to New York, and I wonder if you would comment on that.

Mr. HELMS. The redistribution of the work force, which I mentioned earlier, has been underway since 1981 because of the exact things which you noted, Congressman. As the populace has moved south, southwest, and west, so has aviation activity.

In June of 1978 for the first time in this Nation's history, more people lived south, southwest, and west of the Mason-Dixon line than north. Air activity followed. So also then did the need for our inspections to follow. And we have been steadily building up the capability of the Miami office as compared to the New York office, which the Congressman noted. Inasmuch as the permanent employees could not handle the task, in our judgment, we authorized and did in fact implement the additional 20 temporary positions to help them out.

I should note now during 1981 again, it was during that time period that we recertificated some 4,500 part 135 operators. So as soon as that was completed and with the lower number of air carrier flights due to the controllers' strike, we had adequate people there to do it.

I have the manager of that activity and one of the inspectors with me today, if the chairman would like to pursue those questions directly with the work force in the field and see their views.

Mr. HAMMERSCHMIDT. I wonder if you would supply for the record or now if you have the information when those temporary employees were brought aboard and how long they stayed and if they have been phased out.

Mr. HELMS. I do not have it with me. I will supply it for the record, Mr. Hammerschmidt.

Mr. HAMMERSCHMIDT. Thank you. We would appreciate that.

[The following was received from Mr. Helms:]

USE OF TEMPORARY FLIGHT STANDARDS POSITIONS

Utilizing the temporary positions made available to them, the regions began the employment of aviation safety inspectors in April 1983. Employment is continuing at this time as qualified and interested applicants are located. All but one of the inspectors employed in this program are still on board. That one returned to employment in the private sector.

Mr. HAMMERSCHMIDT. In a recent Washington Post article, FAA Associate Administrator Luffsey was quoted as saying that FAA's deterrent effort would go down the drain if the newspaper published Luffsey's estimate that FAA inspectors were flying in airline cockpits only 10 percent as often in 1983 as they did in 1980.

I wonder if you would comment on that?

Mr. HELMS. I think I could, but I feel I owe it to Mr. Luffsey to let him make his own statement here. [Laughter.]

Mr. LUFFSEY. You notice the publication, sir—and I apologize for my raspy voice—you notice the publication did publish what we said would be detrimental to the deterrent effect. The point that I made in that is that we had conducted 17,000 en route inspections a year before. As far as I am concerned, a reduction to 10 percent of that would be completely satisfactory in terms of deterrent effect. And we have testified, as the Administrator showed, we have conducted many more than that number of inspections and we will rectify the additional data with you.

Mr. HAMMERSCHMIDT. Let me ask you this: do you believe there is any deterrent effect associated with the presence of an FAA inspector in the cockpit?

Mr. HELMS. Oh, I think there is, Mr. Hammerschmidt.

Mr. HAMMERSCHMIDT. You know, once an inspector shows up, the cockpit crews obviously tend to go strictly by the book, of course.

Mr. HELMS. I think that is probably right. I have found that the aircrew pilots are absolutely professionals. They have no desire to take any shortcuts or do anything like that. And insuring that they follow the procedures of their training program and go by the book, to use the checkoff list every time, under every condition, and when in doubt, do not take off.

I have found that to be universally the case. Occasionally, I have found instances in which their ops manual did not include a specific requirement, and I would raise the question. I can give you a specific example, but I would prefer to not identify the carrier.

When taxiing out when I was in the jump seat, he had been cleared for takeoff and he was on hold and the ATIS, which is the information that is put out over the air before he taxis to give him weather data, had shown the wind at 120 degrees, 13 knots. And he was going to take off on runway nine. He was going to go east, but the wind was essentially down the runway, but not quite. During the taxi out, the tower noted that wind shear alarms had been in effect with up to 10 knots.

We got out to the end of the runway and he computed it and I asked, are you ready to go, and they said yes. Fortunately, we were number three. I said, I am curious to know, inasmuch as you have now crossed 87 degrees temperature and you have now seen and gotten another update on the wind shear, would it not be prudent to recompute the ground roll because at 87 degrees, you are now at sufficiently high temperature that what you had in the way of a safety margin may not have been enough.

And he replied, that is not in our ops manual, but it is a hell of a good idea and from now on I am going to do it every time.

So those type things come up. But the important thing was he did have enough runway in front of him even with that. Now, those type things come up, but I find they are very professional people. Where we make out is going back into the training program to make sure that those type things are done and done regularly.

Mr. HAMMERSCHMIDT. In your testimony you stated that the aviation safety analysis system will help an inspector determine what aviation facilities have not been inspected recently. While I can see where this would be helpful, I am more concerned about whether these inspections are unannounced or not. I wonder if you would comment on FAA policy relative to how these inspections are conducted?

Mr. HELMS. In most cases, they are unannounced. In some cases they are not. For example, if we have a specific demonstration of an engine to be run that is under a specific set of conditions, it is a test that requires test instrumentation be set up, crews be there in a test lab. But to walk in and just tell them, turn on the engine would be a drastic impact on them.

In those few cases, then we do schedule in advance. By far, 95 percent-plus, they are unannounced and random.

Mr. HAMMERSCHMIDT. Thank you very much, Mr. Helms for your responses, Mr. Luffsey. Thank you, Mr. Chairman.

Mr. MINETA. Mr. Helms, we have a call of the House right now for a recorded vote. I have also been informed that the chairman of the committee and the ranking member of our full committee would like to have an emergency meeting of the full Committee on Public Works and Transportation in this room following the first vote on the floor.

So that means that we will probably be reconvening here as a committee at about 11:50. And I would assume that because of that, we will have to suspend the hearings until after that meeting is completed.

I do not anticipate that that meeting would be very long. So I think what we will do right now—unless Mr. Packard, you have some questions that we can take care of in the next, oh, 7 minutes or so. Would you prefer to go on or would you——

Mr. PACKARD. No. If in fact you plan to reconvene with the witnesses, then I will hold because I have several questions. Otherwise I would ask unanimous consent to have them entered in the record.

Mr. MINETA. Fine. Let me ask about your own time constraints, other than having to be at the White House at 12:00 noon or something.

Mr. HELMS. I have events that are planned; for example, Tuesday night I left around 4:00 o'clock to visit Burlington Mount approach control tower and got back about 1:30 in the morning. I had planned to leave around 2:30 this afternoon, 2 o'clock, but I will adjust my schedule as necessary, Mr. Chairman.

Mr. MINETA. Well, hopefully we will be through by then.

Mr. HELMS. So that I can understand it, then, we would expect to reconvene about 12 or a little after?

Mr. MINETA. I believe, the subcommittee will reconvene probably about 12:30.

Mr. HELMS. All right, sir.

We will be here early and we will be ready for the reconvening at that time.

Mr. MINETA. The full Committee will probably convene about 10 minutes to 12.

Mr. HELMS. Very good, sir.

Mr. MINETA. Thank you very much.

[Whereupon, at 11:30 a.m., the subcommittee was recessed to reconvene at 12:30 p.m. that same day.]

Mr. MINETA. The Subcommittee on Aviation will please come to order. Mr. Helms, you were rudely interrupted a little while ago, and we will resume the subcommittee hearings with Mr. Packard. I believe, he wanted to ask some questions.

Mr. Packard.

Mr. HELMS. I appreciate your consideration, Mr. Chairman, but I have never found any rudeness from this committee or any member. Thank you, sir.

Mr. PACKARD. Thank you, Mr. Chairman.

I sincerely appreciate the testimony and written material of Mr. Helms. I have to assume that you recognize you are the highest safety officer in the country for aviation and that you feel this is one of the primary responsibilities in your assignment?

Mr. HELMS. Yes, sir, I would classify it as not "one of" but it is "the" highest priority in my job description.

Mr. PACKARD. I think that is one of the high priorities of the riding public as well. I concede that the number of employees is not the only or even perhaps the primary criteria of the implementation of safety practices. Certainly, adequate safety precautions and monitoring can take place without the number of employees or inspectors being the criteria.

I think the primary question that I am concerned about is the level of inspection and safety control being equal to or higher than it was before the implementation of your program. The bottom line of all we are looking for is an adequate and effective safety monitoring program for our airlines.

As you have reduced employees and personnel, have you also seen an increase in automated equipment and monitoring systems that would offset the reduction in actual personnel that would be employed as inspectors?

Mr. HELMS. I have seen an increase in both recording equipment and automated equipment which would help us do that, and when we have the terminal displays, they come onstream very quickly, literally within a matter of 48 hours once they are on the site. They become very productive.

However, I am more concerned about the quality of the inspection. It does not do us that much good to have the same man doing the same thing he did 25 years ago or 15 years ago when we have updated the equipment. As an example, we never even saw an EFIS, an electronic flight information system, 20 years ago. So to have one of our avionics inspectors approach it on the same basis he did 15 or 20 years ago just does not do us any good.

I am more concerned that we are training him and keeping him up to date. I am satisfied that our safety inspections are of a higher caliber today. They go into greater depth, and they are getting into those items which contribute to the safety of ongoing operations better than we have ever had before.

I think that in one area where the chairman brought up today, I always keep my fingers crossed, but over the last 3 years, the safety record of our commuter carriers, that area which has had the most explosive growth, has continually gotten better every year.

I am not satisfied with it, but I am encouraged that what we are doing has been validated, and we are not going to back off, sir.

Mr. PACKARD. In your testimony and report, you stated that over the next 10 years with these measures, you estimate that there would be a savings of about $250 million.

Would that savings come about primarily as a result of reduction in personnel, and employee costs?

Mr. HELMS. None of that, and I mean that in its most rigid sense, none of that is applicable to safety inspections, sir. It is all related to other facilities and equipment related to flight service stations, sector maintenance, those areas other than operations and maintenance inspection.

As I indicated, we actually will have more people, more inspectors onboard this year than last year and I have authorized more next year. I do not envision we will be able to reduce those people much further.

Mr. PACKARD. In looking at your current as your projected budget, do you anticipate as great a percentage of that budget being earmarked for safety features—the safety inspection program—as has been done in the past?

Mr. HELMS. If we are referring to the safety program, yes, sir, but as a percentage, the percentage for people may be down. The distinction is I expect the aviation activity to grossly double in the next 10 years.

But what we want to do is to avoid costs just the same as reduce them. I think we are just about at the minimum. I do not see how, even with all the productivity improvements, we will be able to go down much lower, if any. I think we will slowly have to add people over the next 10 years as the aviation activity doubles.

The greater benefit will be from the improved management, the improved automation devices and increased productivity. So I believe we probably have reached the low point in employment, Mr. Packard.

Mr. PACKARD. From the tone of your testimony, my impression is that you feel that the safety monitoring systems now in place will continue at the same level or improve over what we have had in the past, is that correct?

Mr. HELMS. Yes, sir. As the Federal Aviation Act of 1958 notes, the responsibility of the Administrator is not transferred to either the Secretary of Transportation or any other officer of the Government. It is his responsibility for safety.

I assure you I would have absolutely no hesitance in going forward in saying that we need more people or we need some other item if I thought we had a safety problem. I could only emphasize again that I have authorized the 100 temporaries as the fallback position, and in the event we had difficulty there, we have a pool of over 400 furloughed airline pilots who are now in the FAA fulfilling the role of air traffic assistants. I can draw on them any time I need them.

Because of their background, they can be trained in 60 days, and with OJT, they can become productive very fast. So I built a double fallback position just in case the automation does not work.

Plan on the worst. Hope for the best, and that is what I have done, sir.

Mr. PACKARD. Much of my experience in the past has been in the medical field. I think all of us recognize that hospitals have significantly improved monitoring systems that keep track of patients and their general condition over what we had 10 to 20 years ago.

I would assume that there are high technology monitoring systems available to the airline industry which far surpass the monitoring that has been done historically by onsite inspectors.

Do you see that technology being applied into your procedures?

Mr. HELMS. Yes, sir, and more than just in the area of inspectors. For example, in this present generation, the new generation of aircraft, we have onboard monitoring of systems to tell us while we are enroute what is happening.

For example, a new system which we have developed but have not proof-tested, operating with Swissair, will tell the pilot for each of the tires on his airplane what the pressure is in those tires so

that he does not take off at a heavy gross weight under a high temperature and try to take off with underflated tires.

It is that type of thing which now alerts the pilot and the flight engineer with far more data. Additionally, on the new generation aircraft such as the 767, there is an ARINC system network that can handle a constant stream of information from the aircraft to the local ground, any place in the United States.

It is then fed in directly and nearly instantaneously, at about a half a second, to a central data bank in San Francisco, and there it is shared immediately both with the maintenance depot at United and also with Boeing.

So the systems for monitoring have kept pace, and this has been true in the FAA also, although we have been lagging. We are trying to catch up now.

Mr. PACKARD. Reading from a report that I have, it says, "Data on inspection and surveillance activity supplied by the FAA generally indicates that 6 to 7 percent fewer inspections and surveillances are being conducted nationwide in fiscal year 1983 than in previous years."

I think we have also recognized an ongoing increase in activity in aviation. Are you suggesting that even though there is a decrease in the actual surveillance and inspections performed that—with the additional data that is available through automation and through increased efficiency—there is a higher and better level of monitoring of our safety features through the years?

Mr. HELMS. I am not able to validate the 6 percent reduction, although it may be a set of numbers which I am not familiar with. But as I have indicated, I am more concerned about the quality of the inspections and the fact that we are inspecting where the potential danger comes from as opposed to merely having thousands of inspections.

I am completely satisfied that our inspection program now is far more responsive to the needs of the air carrier industry and general aviation industry, and in fact, once we have our program fully implemented, it will have a far, far more positive benefit.

As an example, once the full system is put into effect, something as insignificant perhaps as a screw that failed to fatigue in a flap in a 727 at Las Vegas, literally in a period of minutes that will be put into the terminal, go into a central data bank and every carrier in the United States will know to check that screw, because one failed on a flap out of a 727, every operator, every maintenance base, every overhaul base will know it. We do not have that capability today.

So what we will be doing is pointing our inspections toward those areas where trend analysis shows it can make a positive benefit to safety. That is basically that base of technology, sir.

Mr. PACKARD. I would like to just make a closing comment, Mr. Chairman. I hope that this committee, although they are extremely interested in the safety features of our airline industries, would not simply equate safety with the number of employees or inspectors.

I think there is a need to use state-of-the-art technology to help our inspection and monitoring procedures become more effective. At the same time we need to hold down the escalation of employees occuring because of the increase of air traffic.

I appreciate the testimony of Mr. Helms. Thank you very much.

Mr. MINETA. Thank you very much.

Mr. de Lugo?

Mr. DE LUGO. No questions, Mr. Chairman.

Mr. MINETA. Mr. Helms, you say that not many violations are discovered through surprise en route inspections. I do not believe that violations are the purpose of en route inspections. In fact, inspectors on an en route who see a violation developing are supposed to prevent it from happening rather than wait for it to happen and then write up a violation.

Why do you conclude that en routes have little value based on the fact that they produce few violations?

Mr. HELMS. I do not think, Mr. Chairman, we are saying they have no value. The question is the relative use of the resources. For example, do we use that person better by having him sitting there for 2 to 5 hours and not finding something wrong or even preventing an error or do we use him better by putting him in areas which would contribute to increased safety.

One of my greatest concerns is dispatchers. Very few air passengers even know what a dispatcher is, but that is the person who is going to sign off and say that airplane was refueled, that the weight and balance was accurate, that all of the lifesaving equipment was aboard, that it had the proper number of liferafts, that sort of thing.

I would like to see a little bit more activity in some of those areas. In the wintertime, having that inspector in a position where he can go out and do ramp checks to see to it that we do not have aircraft that are being deiced and, for some reason, sitting there for 50 minutes before takeoff.

So we are talking about the relative use of those resources as opposed to no benefit. I do not think there is any question in my mind that an en route inspection can contribute to the deterrence.

I believe we get a better use of the resources, though, in the interest of the traveling public by using a large portion of that time for other, more productive inspections.

Mr. MINETA. In our discussions with field inspectors, they told us that en routes are the single most productive way to evaluate an airline's operation because of a number of aspects of the operation can be observed in an efficient manner, for instance, the individual crew members, the interaction of the crew itself, cabin crew performance, the aircraft, as well as ground servicing of the aircraft. You certainly could not observe all of these things at the training school.

We have been told that the real importance of the en route is that it allows the inspector to pick up systematic weaknesses in an airline's operations. For example, that flight deck crew communication is often weak on a particular carrier and that there must be something basically wrong with training or with their check airmen or whatever.

The inspector can then go after the larger problem. I was wondering if you would care to comment on that.

Mr. HELMS. Each carrier, of course, has his own training program, but let us choose one as an example, United which has its flight training academy at Denver.

There you can examine all the items which that particular inspector may have advised the subcommittee staff and go further yet and do it in detail. As an example, United originated, and other carriers are now picking up, the program whereby, with simulators, the operation of that entire flight deck crew is recorded on tape. Then, after the mission is completed and after they have landed, they go back and play the tape with full immunity from the FAA and the company. The intent is to find out what did go wrong, because invariably, one of the people will say, "I did not do that." Another will say, "Yes, you did." And when that tape is played back, they then start to realize it. Standardization, improvement.

We get a more positive benefit from our inspector looking at him in the simulator than we do in the airplane so that we can monitor it and go back and examine that tape with him.

In the case then of all of the people at the training academy, we can get the benefit of an inspector looking at maintenance training, cabin attendant training, flight engineer training, pilot training, dispatcher training, and we can hit all of those at one time at the academy.

Each airline has its own capability, but we get a better use of our resource when we do that.

Mr. MINETA. In June, Mr. Helms, a special inspection of Republic Airlines was conducted by a special team of FAA inspectors following three incidents of fuel exhaustion or management that, without good luck, could have resulted in disasters.

I would like to quote from the FAA report that followed that special investigation:

> A review of operational bulletins, directives and letters to the pilot organizations regarding deficiences, that is, checklist usage, complacency, lack of professionalism, fuel log and/or paperwork indicate that these are long-standing problems.

Now, no one would expect FAA inspectors to catch all isolated or unique problems no matter how large the workforce or how comprehensive their surveillance, but if FAA does a special inspection, after the fact, of historical logs, manuals and procedures and discovers, quote, "long-standing problems," unquote, I believe that this is indicative that FAA did not catch, in this case, basic systematic problems in the carrier's operations.

The problem cited in the report included poor coordination among flight deck crew, poor integration of two different labor forces and poor discipline in the use of checklists. These were not isolated problems, but rather the kind of things en route inspections are designed to catch before we start having close calls like the fuel starvation incidents.

It should not take until after such incidents and until we have a special investigation to discover these types of long-standing problems.

You do not seem to put much value on en route inspections again, and you say FAA should not put much effort into being the cops on the beat. But does this report on Republic not demonstrate that more of these cops on the beat is exactly what we need?

It strikes me that the real value of the en route inspection is that the crews know that at any time FAA can step in and observe.

If he does not like what he sees, he can yank the pilots ticket. This kind of knowledge can provide the incentive to pilots to perform by the book.

Mr. HELMS. First, Mr. Chairman, I think it is significant to note that the Federal Aviation Administration took that action on its own and not in response to the National Transportation Safety Board or any others.

Second, we do not publicly acknowledge it or we do not publicly demonstrate it, but it is routine for us to have blue ribbon teams continually doing an examination of carriers for maybe any suspicion or reason that it might contribute to safety.

In the instant case, however, the reason for the, quote, "long-standing practice" was that in this carrier's history there were three separate airlines that were merged together. They had three ops manuals, three procedures, three set standards. Had we had the aircrew program manager in effect with the aircrew program designee program in effect that would have been caught immediately.

Doing additional en route inspections would not have caught it because each one of them was following the original ops manual which had been approved by the FAA for that air carrier.

The way to solve that problem is, I think, the way we are doing it. For a carrier to set up an aircrew program manager specializing in aircraft types and have an aircrew program designee who now establishes standards for all of them rather than the FAA to have to differentiate between them.

In that case, it was the history of three air carriers that were merged, and that was the basis for it. All three of them individually met the Federal air regulations.

Mr. MINETA. As I understand it, there are two kinds of inspections, the ondemand and the self-initiated. What we have found in many of your field offices is that as the number of inspectors drop off, the ondemand work still has to get done and what fails to get done is the self-initiatied.

Now, one office estimated that 4 years ago it was doing about 50-50 between ondemand and self-initiated inspections, but that it is now about 80-20 in favor of ondemand.

Now, that suggests to me that to an increasing extent, your inspectors are where the airlines want them and where they know where they are and to less of an extent are they showing up when or where they may not be expected.

Does that not diminish the deterrence value of your inspector work force?

Mr. HELMS. With the institution of the field office modernization and the ASAS, specifically the terminal information, it allows us internally, just within that flight standards district office, to program all of the items which should be inspected. We no longer trust it to the individual memory of that individual irrespective of whether it is ondemand or another one. Therefore, we can program that individual to do more inspections per unit time.

However, at the same time, we do have to note approximately 15 percent of the total time of our inspectors is spent in the examination, certification efforts and getting ready for a new carrier to enter the marketplace only to find it and never does. Approximate-

ly 15 percent of the people that come into us to file a certificate that they are going to start operating never operate. Nevertheless, our responsibility is to treat them just like we do anybody else.

Of those who do get their operating certificates, approximately 5 percent cease operations in a very short time period. So nearly 20 percent of that type effort is, in essence, nonproductive, but yet we must apply the same standards to those that we do for those who do continue in operation.

Therefore, once we take all the tasks, whether it is demand or otherwise, put them into the computer to say these are the things that must be done, ondemand program, now we have a means of having a printout each morning that tells each inspector where he is to go and what he is to do, and therefore, the division, whether it was ondemand or not, would not occur.

We will be responding to what the total workload is and we will be able to do it more productively.

Mr. MINETA. Thank you.

Mr. Hammerschmidt?

Mr. HAMMERSCHMIDT. Thank you, Mr. Chairman. I just have three or four more questions.

Mr. Helms, in your prepared statement you state that the aviation standards function could be performed more efficiently through a consolidation of facilities. In your October 1, 1983, report on planned office and facility consolidations, you report that this action would result in the elimination of 23 positions.

Can you tell this subcommittee whether or not these are inspector positions which would be eliminated?

Mr. HELMS. They are not inspector positions which would be eliminated, Mr. Hammerschmidt. We would take the administrative positions, convert them to inspectors, and that is included in my projection that we will not decrease the workforce.

Mr. HAMMERSCHMIDT. In consolidating air carrier and general aviation functions into a flight standard district office, it is my understanding that fewer supervisory and administrative support positions would be required, and that these positions could then be converted into inspector positions.

Would not this, in effect, be a demotion on the part of the supervisory personnel and thereby perhaps create a morale problem?

Mr. HELMS. We have been through it once as a test case in Miami where we did the combination. I have personally visited there. I do not think I have ever seen morale as high in the field, as high there and in San Diego where we have also done it.

There can potentially be an impact on the individuals that are affected if they got downgraded, but the Federal Government—like the private sector, like industry, like hospitals, like universities—has no choice. We must respond to the national need of greater productivity, and if it impacts some of our employees negatively, while I regret it, we collectively must reduce the cost of Government and get increased efficiency and productivity.

I have not seen any indication of a decline in the morale, but I must acknowledge it is potentially some item that could come up.

Mr. HAMMERSCHMIDT. You stated in your testimony that cross-training of the inspector workforce is underway. How is this being accomplished without degradation of existing work requirements

and where is the training taking place? Who is conducting the cross training?

Mr. HELMS. We have, as I mentioned before, the authority for Mr. Luffsey to bring in up to 100 temporaries to fill in while these people are away from their duty stations.

We have trained 95 of the general aviation operations inspectors in our school at Oklahoma City. We have a program set up in the academy there, a specific training syllabus to do that cross-training. That is in 3 years.

We also have a training program of a similar type for maintenance which has trained the general aviation maintenance inspectors into air carrier maintenance inspectors of which 135 have completed that cross-training.

That, then, puts us in a position where, instead of having a person sit in the office and when something comes up saying, "I cannot go. I am not qualified. That is air carrier," that due to cross-training that person could now handle it. Now, we are getting greater productivity out of that individual.

I envision we will continue that cross-training and do it as much, we can so that we get an improved benefit.

Mr. HAMMERSCHMIDT. It is my understanding that FAA is now giving major U.S. airframe manufacturers optional approval authority for the airworthiness of foreign manufactured components. Is this approval authority based more on economic considerations rather than airworthiness or safety? Would you comment on what safeguards you have in place for this new policy?

Mr. HELMS. It has nothing to do with economy or even the procedural aspects. It really is directed towards accountability and particularly having accountability as we move into newer technology type fabrication techniques.

Rather than have the FAA have to go to a foreign land and determine that the inspection techniques, equipment is properly calibrated, the people are trained, we can hold the U.S. assembly manufacturer, the prime manufacturer accountable for that. He must certify it. He must bear the responsibility.

Of course, we reserve the right to run random inspections. If we find one that does not meet the criteria, his entire program will be evaluated and could be cancelled. Therefore, we do it for accountability, to make sure that there is one standard applied by the manufacturer to all components irrespective of where they are built.

It has worked out quite well and has been done in the DEA for some 20 years in the smaller aircraft. We have been moving it into the larger aircraft now because the system works.

Mr. HAMMERSCHMIDT. Thank you.

Mr. MINETA. Mr. Packard?

Mr. PACKARD. No questions at this time, Mr. Chairman.

Mr. MINETA. As part of your productivity increases you were speaking about the dictation equipment. I believe you said that there would be 200 machines or something like that.

Mr. HELMS. No, sir. The 200 machines would be the terminals for the ASAS, and the dictation equipment, I cannot recall the exact number, but I think it is about 1,700 all told. All of our inspectors will have it to take advantage of it.

Now, this is still moving across the United States It is not in every site yet. For example, I did not feel we could take the risk of taking both that automation and the terminal automation at the same time we were combining the general district office and the air carrier district office in Miami.

You must move these things in an evolutionary manner rather than revolutionary such as trying to put all three of them in at one time. So you will find that, for example, in the Miami flight standards district office, they have not yet moved into that. They will shortly. But it is being done across the country.

Mr. MINETA. What we hear from your own people in the field, however, is that the dictation machines merely offset the fact that you have also cut back on clerical and support staff for the inspectors and that they do not offset in the least the fact that there are also fewer inspectors.

In fact, one of the comments from your field inspectors is that cuts in clerical and support staff were reducing the productivity and efficiency of inspector staff operations. I was wondering if you would comment on that.

Mr. HELMS. To the extent that the field office modernization program has not been fully implemented, that may be the case. Once all of the equipment is across the United States any such problems will be rectified. Again noting my earlier comment, we are phasing it in by region and by various segments across the United States.

So I could envision that now that may well be the case, Mr. Chairman. But within the period between now and the end of 1984 when all the terminals will be in—the GAO has approved our new main frame so that the ASAS will be in—all of the dictating equipment and the ability to transmit those by telephone will be in, I would think that those objections will be pretty well eliminated.

Mr. MINETA. So the hump is between now and, let us say the end of the fiscal year 1984?

Mr. HELMS. I think by the end of 1984, and it was in anticipation of that, then, that we took on the job in 1981 of recertifying all of the part 135 carriers. That is the 4,500. So now we have the hump behind us, and we have that additional talent available to help bridge this gap in 1982 and 1983 and in anticipation of what we will have in 1984.

Mr. MINETA. As Mr. Packard said, we fully endorse the whole issue of productivity increases, and we are not just playing the numbers game of inspectors or inspections, but rather we are looking at the whole issue of productivity gains.

You have mentioned the Aircrew Management program, and I realize that the vast preponderance of flight checks and proficiency checks are done by company check airmen. But historically initial type certification of commercial airline pilots has been done by the FAA.

I think that this FAA certification has been good in that a sort of a United States of America "Good Housekeeping Seal of Approval" has been given by us to all airline pilots, and it says that the Government's safety experts have said that this pilot meets certain standards.

Now, this is a benefit to the carriers because it says to the public no matter who you fly on, this pilot meets certain Government

standards that are the same for everyone, and the passenger does not have to consider when making reservations that one company's pilots are better than the others, because the Government has passed on all of them.

Now, I realize I am talking about impressions, but I would like to get your comment on the implications for the airline industry if the traveling public begins perceiving that one company's pilots get certificated by the Government while others are certificated by the company itself.

Mr. HELMS. Our program as presently envisioned would not anticipate that the first company pilots operating a new airplane would be certified by that company's aircrew program designee.

For example, the 757, 767, a new model aircraft. I am not only concerned about the individual airline pilot's capability to handle the machine; I am also concerned about the combination of the training program provided by the manufacturer and the airline operator to insure that standards are met continually.

Therefore, FAA pilots and the test pilots that certify that airplane will go through with all of those pilots in the first phase. In the case of those two aircraft, I personally went out to fly the airplanes and evaluate them against what the standards were supposed to be throughout the entire envelope of the aircraft. Then based on that, came back to examine what the training programs would, in fact, have provided. In summary, we will still certify the first pilots. We will still certify all of them that are going to come aboard a new aircraft, but once that aircrew program designee is certified and designated, he is just as good as an FAA check pilot or company check pilot.

The initial ones on a new model aircraft, we will do ourselves.

Mr. MINETA. How does FAA go about determining which airlines would be acceptable candidates for the Aircrew Management program? Is it basically a subjective judgment by the FAA field people or are there some objective criteria such as length of time in business or FAR violation records, et cetera?

Mr. HELMS. We examine all of those and as an example of what we did in the first case, we took two FAA employees and they underwent a 6-month training program with the carrier to see how that carrier would have trained them were they in the company.

Then they reversed the process. They then turned around and took the company's recommendations for a designee and spent time with him to say, now then, let me show you what you have to do to meet the FAA standards.

We would envision that this process would continue except that as each new carrier comes aboard, it will probably take only 3 months. The reason it took so long the first time is we leaned over backwards to make absolutely certain we did not let something drop between the cracks.

In general, then, as a new carrier decides he wants to embrace the program, we will assign one, two, or three of our people there as aircrew program managers. They will go through a course with them to see what they normally do. They will then show them changes which have to be put into effect to equal what we normally do, and then their designee will go through that program. From

that point on, the designee will be able to approve their pilots, and of course, we will still be running random checks routinely.

Mr. MINETA. Now, you say that when fully implemented 20 percent of your air carrier inspectors will be freed up. How many carriers do you anticipate in the program and when will the program be fully implemented?

Mr. HELMS. There is no way to predict that, Mr. Chairman. It is primarily, of course, an election by the individual carrier whether they participate or whether they do not. In the event that they elect not to, we will continue on our present program where FAA pilots do the flight check and certification.

We do have one thing working in our behalf, however. It is becoming evident that the new phase III simulators can do a far better job of training pilots than you can do by putting him in an airplane and letting him go fly and they can do it cheaper.

There are certain things which you just do not want to take the risk of demonstrating to a pilot in an actual airplane. As an example, turning into dead engines on the left side with a bad cross wind. I do not think any of us feel comfortable about doing that in the airplane.

But we can do it in the simulator and sit there and watch him with the same results. So we are getting a better test. We are getting a better check in the simulator. More and more companies are turning to simulators because it is cheaper and they can do a better job of training. That allows us more productivity by our people.

Mr. MINETA. By the same token, sometimes the first time that a pilot is flying the plane, itself, is when he boards that airplane with passengers behind him.

I had that happen to me when I flew jump seat not to long ago with a pilot on a 767, and he said, "I hope it does not make you nervous, Mr. Chairman, but this is the first time I am flying this plane."

Mr. HELMS. But he was flying with a check airmen, and he had passed in the simulator with an FAA airmen in every possible combination, in fact, some failures that he could not really encounter in the airplane.

Mr. MINETA. No question about it, but again perception or impression about having this person flying that airplane for the first time with his hand on the yoke, or her hand on the yoke, with passengers has got to be a new experience.

Mr. HELMS. In his first 25 hours, of course, there would have been a check airmen aboard, on the first flight a company check airmen would be in one of the pilot seats, because we do not allow someone just to jump in the airplane and go fly.

At the same time, on the very, very first flight that I ever flew on a check ride in a jetstar getting ready for the check, the check pilot pulled number 1 and number 2 engine on me. Now, that is very, very remote a possibility to have that happen.

Fortunately, because of the simulator, although I was shocked a little bit, I was far better prepared for it. Simulators today do a better job than the airplanes do, Mr. Chairman.

Mr. MINETA. I have been up at Binghamton with Link and have seen that, and you are right. You are absolutely right about those simulators. They are outstanding.

Mr. Packard.

Mr. PACKARD. Mr. Chairman, I just want to comment on your experience. Every position—every attorney, school teacher, minister and every person has their first time, and you usually have someone looking over your shoulder to see that you do it right.

I remember the first injection I gave as a dentist, and I remember it was my wife that received it. She was more nervous than I was, I believe. I suppose the important thing is, however, that you have experts who can guide you along.

Mr. MINETA. The designee program in the Aircrew Management program, Mr. Helms, is only on the operational side. Do you have plans to expand the use of designees beyond type certification of pilots into other operational areas or into the maintenance area?

Mr. HELMS. We are in the process of evaluating it now to see if we can do so. We are running two field tests to see how well we can validate it. I do not think I am ready yet to say that we either will or will not, but I am looking for any possibility I can that will help us improve the quality, improve the number of inspections and not let it be solely dependent on the Federal Government.

If it works out and we can clearly validate it, we might do so, Mr. Chairman, but I am not ready to say yet.

Mr. MINETA. You cite that the preliminary data from the southern region on the failure rate for pilots tested by designees is slightly higher than those tested by the FAA. Do you hold the FAA failure rate as the standard? What will you do if that failure rate by designees moves below the FAA rate?

Mr. HELMS. I do not know that we can say that the FAA rate is a standard, and before we took any action, we would also compare it with similar failure statistics from other regions, first, to make sure that we did not have some aberration within the data.

But if it went below the FAA average and stayed there for, say, a 30-day period or a 3-month period, then we would immediately pull together the same kind of blue ribbon team we have that we go to other air carriers, get into it to find out why.

While it is not constant, we usually have between two and four blue ribbon teams out in the field with no announcement of any kind dropping in, taking a look at maintenance procedures, maintenance bases, air carrier operations, and other items. This is a routine we have initiated within about the last 1½ years with quite high emphasis.

Mr. MINETA. Mr. Hammerschmidt?

Mr. HAMMERSCHMIDT. I have just one other question on a subject we have not touched on.

Mr. Helms, as you know, this subcommittee has already marked up H.R. 1580, the Anti-Drug Trafficking Control bill. During our hearings on this legislation, it was brought out that the FAA has worked cooperatively with the Justice Department, Drug Enforcement Administration, and Customs in efforts to stem the flow of illegal drugs into this country.

Since the ASAS program will include projects for aircraft registration records, I just wondered if you had any thoughts about

giving this information, making it available to Justice, DEA, and Customs or if you are coordinating in that effort.

Mr. HELMS. Yes, sir, we are. I have had extensive discussions with them and with other agencies of the government. We are exploring other items which I would really prefer not to outline in detail here, but we are exploring other things within the legal framework of statutory authorities that now exist to see if we can do other things for those agencies.

In fact, there is one committee which I chair for the Vice President in that area. So we are very active in it. We are doing everything we possibly can with the other agencies of government and fully support their efforts.

Mr. HAMMERSCHMIDT. Thank you, Mr. Chairman. That is all my questions.

Mr. MINETA. Mr. Helms, let me ask about recommendations from the field and the regions. As I understand the process in Flight Standards, you have what is called a "Call for Estimates," is that correct?

Mr. HELMS. The expression is one that may be applicable. Oversimplified, the process is the lowest level of activity in the field outlines what they think they need. It then comes to the division level that reviews it, takes a look at what they have in the way of resources for the total division to shift it around.

It then is raised to the regional director's office that takes a look at the total in the region, and then it comes into headquarters and we take a look at it on the basis of demographic shifts of airplanes, airplane pilots, airplane passengers, all of the shifts. Then we take a look at it and make a final judgment.

Then with that final judgment we go back to the regions and negotiate on it and see what is unique about their effort because each area has some uniqueness usually.

Mr. MINETA. Let me take as an example, the southern region and their request from the field for flight standards. The field request for technical positions was 336, and then the request from the Division was 321, a cut of 15 positions.

This went to the region where they then cut it to 255 which is down another 66. We do not have what the final allowance will be, but according to your testimony, we can probably expect it to be even lower.

Now, here are your people in the field and at the regional level telling you they need 75 to 100 more people than what they will end up with. In our discussion with field people all over the country, we found they generally look forward to the implementation of the management initiative, but they also said even with those initiatives, "we need more people".

I am wondering how do you discount what they are telling you.

Mr. HELMS. I think our field inspector work force is a very professional group. They have done a fine job in contributing to the very high level of safety which both air carrier and general aviation have brought about in the last half century. So I would not capriciously say that they do not know or they are not in a position to evaluate it.

Conversely, I do not know of any field organization in universities, any general manager or field division of a corporation, any

hospital field team, any military commander that has not asked for more. That is a function of the organizational society in which man exists, that every field activity wants more, and prudent management above has to take a look at it and see whether, in fact, that is compatible with the total national need for whatever that purpose and undertaking is.

Those field activities at the lowest level and even at the regional level may not be aware of the implementation schedule of the equipment under the field office modernization program and/or the ASAS terminal.

We try to notify them ahead, but the budget process, for example, for 1985 required that those initial estimates come in to us in June 1983. It may be far in advance of when they would have known when the equipment was specified for.

So I value their views, but at the same time, they are prisoners of their experience also.

Mr. MINETA. Are there any final questions?

[No response.]

Mr. MINETA. All right. Mr. Helms, again, thank you. There will be some more questions coming to you for the record. If you would go ahead and submit answers to those to us. (See page 52.)

Mr. HELMS. I recognize the pressure on the chairman and committee's time. We will be glad to take any questions and supply the answers for the record, Mr. Chairman.

Mr. MINETA. Getting back to our earlier discussion about numbers of inspections and what the trend has or has not been, I want to emphasize that there is no subcommittee data in this debate. This is all FAA data, and this is data, in fact, that FAA in Washington has given us. So it is directly from your offices, I guess, and it originates from the FAA regional offices.

What they showed us is a decline at the 20 largest offices in actual self-initiated inspections, dropping some 7 percent from 1982 to 1983. You have now come in with different data, also FAA data, but somewhat different than the numbers we got from your shop earlier.

Just accepting your latest data, it shows a drop in total inspection activity from 170,785 inspections in 1982 to roughly 126,000 annualizing the 1983 data. Now, that is more than a 7-percent drop.

I would draw two conclusions from all of this. One, inspection activity seems to be declining in 1983 as compared to 1982 by any measure, and two, analysis of inspection data at FAA seems to be a very inexact science, one that should be substantially improved for you to be able to do your job of knowing just how much safety presence you have out there in the field.

You are saying that your cuts have not diminished your safety presence. I am wondering, again, going back to the basic discussion, that is, how do you conclude that that is the case given the fact that your inspection data seems to be less than—I do not want to use the word, "less than perfect," but at least it is somewhere bounding around.

Mr. HELMS. Yes, sir. First of all, I would like to acknowledge the chairman's question and buried within that, I think, is the recommendation that we improve our inspection recording method. I will take that to heart and see to it that we take the appropriate action.

From the numbers the chairman mentioned, however, I believe that he referred only to operations. He did not include maintenance for operations and maintenance.

Mr. MINETA. These are grand totals for all types of inspection activity from the summary sheet you gave us during the recess.

[Summary sheet refined to follow:]

SUMMARY OF WORK PROGRAM AND ACTIVITY

	1980	1981	1982	1983 [1]
Operations:				
Airmen certification	12,493	6,293	16,280	12,498
Proficiency/qualification check	11,549	4,983	4,713	5,595
En route inspections	11,721	13,362	17,213	6,796
Investigations	2,353	1,936	5,401	2,555
Surveillance	3,997	1,969	12,513	13,617
Inspections	3,471	3,052	10,413	4,563
Total	45,584	31,505	66,533	45,624
Maintenance:				
Surveillance	29,345	24,373	34,310	18,832
Certifications	6,761	10,941	19,655	14,711
Investigations	1,882	3,966	9,180	5,199
Enforcement/compliance	779	792	474	250
En route inspections	1,849	2,327	2,474	1,614
Spot inspections	4,294	4,018	4,257	2,099
Ramp inspections	6,269	6,462	7,256	3,860
Malfunctions and defects	3,989	5,180	4,374	2,846
Total	55,168	58,059	81,980	49,411
Avionics:				
Surveillance	12,596	9,438	12,108	6,989
Certifications	1,823	2,459	2,997	2,197
Investigations	445	1,393	1,915	1,187
Enforcement/compliance	275	107	102	59
En route inspections	537	689	626	375
Spot inspections	1,904	1,839	1,522	710
Ramp inspections	2,661	2,204	2,325	1,242
Malfunctions and defects	818	972	677	466
Total	21,059	19,101	22,272	13,225
Grand total	121,811	108,755	170,785	108,260
1983 annualized				126,303

[1] Partial year.

Mr. HELMS. These numbers are inspections that were reported from the field and would not include those which we in headquarters do. But I agree with the chairman in that it is not necessarily a case of trying to specifically say the numbers are up or down, but in fact, we have a common objective to make absolutely certain that we are not in any way diminishing that inspection level which is necessary to insure the safety of the traveling public.

If the criteria that we have here results in fewer inspections, then I will have no hesitance in coming back for more people and increasing it. I am concerned about the quality of the inspections, however, and the fact that we are putting them at the right place.

I assure you, Mr. Chairman, I will have no hesitance coming back in before this committee or any other committee in next

year's hearings or even before then if I think that we have a necessity for more resources than are available to us now.

Mr. MINETA. Mr. Helms, let me conclude by saying that you have told us not to worry, that your productivity improvements will more than offset a 23-percent cut in safety inspector positions and a substantial increase in safety inspection workload.

Some of your productivity improvements are promising, and others I still have some concerns about, but the basic question here is whether those productivity improvements justify cuts in the safety inspector work force, and I am still, frankly, going to have to be convinced.

I would rather have the same number of safety inspectors today that we had on the day you took office. I think that would be the more prudent course and would give us the highest possible assurance that the FAA safety regulatory role is being, in fact, met to the fullest.

Productivity enhancements are fine, but I would rather keep them in the context of getting more work out of existing inspectors rather than as justification for larger cuts in the number of inspectors.

This subcommittee will continue to pursue this issue, and we will continue to communicate our concerns to the Department of Transportation and to your agency and to the Committee on Appropriations as well.

Again, we want to thank you very much for your cooperation in terms of the assistance that we have been getting from your office with regard to our work in this area, and the continued working relationship between our subcommittee and your agency. And we continue, frankly, to look forward to that healthy relationship that we have.

Mr. HELMS. Mr. Chairman, I would also like to publicly compliment the chairman and members of the committee on the effective relationship which exists between your own staff and that of the FAA. I know of no subcommittee on the Hill that works more honestly and sincerely with our staff to try to make sure that we have a common data base.

Over the years, I have learned that when certain people raise a question, that is an alarm bell, and I better start listening. And I have learned that when this subcommittee raises a question, I better start listening and looking into it with that alarm bell.

I assure you in this area, I will have no hesitance in taking whatever actions are necessary to insure we do not diminish those inspections to the point where it has an adverse impact on traveling safety.

Mr. MINETA. I thank our very fine gentleman from Arkansas as well who has made a real contribution to the work effort of this subcommittee.

The subcommittee now stands adjourned.

[Whereupon, at 1:21 p.m., the subcommittee adjourned at the call of the Chair.]

[Subsequent to the hearing, additional questions were submitted to Mr. Helms. The questions and responses follow:]

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Committee on Public Works and Transportation
U.S. House of Representatives
Room 2165, Rayburn House Office Building
Washington, D.C. 20515
Telephone: Area Code 202, 225-4472

December 28, 1983

J. Lynn Helms
Administrator
Federal Aviation Administration
800 Independence Avenue, S.W.
Washington, D.C. 20591

Dear Lynn:

As I stated at the November 10 hearing on reductions in FAA's airline inspector workforce, I have some questions that I would appreciate your responding to for the record.

(1) At the hearing in a discussion between you and me, there was some confusion as to the trends in inspection activity. You presented a table entitled "Summary, Work Program and Activity" for Operations, Maintenance, and Avionics for the years 1980 through a partial year 1983. Since the hearing, your staff and the Subcommittee staff have met and discussed the figures from that table and why there was such a divergence from the figures I cited at the hearing. From those discussions, the Subcommittee staff learned that there had been some inadvertent errors made in the preparation of the table you presented that depressed the 1981 figures, creating the incorrect appearance that there was a large increase in some inspection activities from 1981 to 1982. I would very much appreciate your submitting a revised table that corrects these inaccuracies.

(2) One of your productivity and management initiatives has been the increased utilization of traditional general aviation inspectors to perform the air carrier certification and inspection functions. This approach raises some questions that I would appreciate your addressing.

There is a question that general aviation inspectors may not be familiar enough with complex airline managements and organizations and how they operate. A common type of activity to both air carrier and general aviation inspection is the inspection of aircraft, repair station and pilots. But the air carrier inspectors are also involved in looking at and evaluating the management of airline companies, their attitude, and their practices. It strikes me that this requires a sophisticated grasp of the subtleties and nuances of airline management, organization, attitude and practices that I am not sure is present in someone whose career has focused on individual pilots, repair stations, airplanes or small commuter operations. How is this problem being addressed, and what is being done to ensure that staff drawn from the general aviation inspector workforce to perform air carrier inspections are adequately familiar with airline management practices and procedures? Why is it preferable to meet air carrier inspection needs by blurring the existing specialization between ACDO and GADO inspectors and having GADO personel inspect Part 121 operators as opposed to simply providing more inspectors.

(3) The focus of the hearings was on the air carrier inspector workforce, but there have been cuts also in the general aviation inspector workforce. If FAA is going to use more general aviation staff to inspect air carriers, what assurances can you provide that the traditional purview of general aviation inspectors is going to be adequately covered? Since general aviation inspectors traditionally have inspected the commuter airlines, what assurances can you provide that inspection of the commuters will not suffer as a result of the broadening of some general aviation inspectors' responsibilities and the reduction of general aviation inspection staff?

(4) In your testimony, you stated that when the Aircrew Management Program is fully implemented, 20% of the air carrier inspectors will be freed up from airman certification responsibilities. How many Part 121 carriers would be participating in the Air Crew Management Program to free up 20% of the inspectors?

(5)(a) With respect to the hiring freeze that affects who FAA can hire to fill vacancies that occur, what is the source of thi hiring freeze and how long has it been in place?

(b) Is it correct to say that one effect of the hiring freeze on filling vacancies in permanent positions is that it is practically impossible to recruit outside the current government employment rolls, such as hiring from the airline industry?

(c) Is it your opinion that the quality of new hires would be improved if the freeze were lifted for the inspector workforce?

(d) Can you provide the Subcommittee with general information on the backgrounds of recent new hires in the air carrier inspector workforce? Are they mostly from other organizations within FAA, other federal agencies, the military, etc.?

Again, I appreciate your assistance and coooperation in this important matter.

Sincerely,

Norman Y. MINETA
Chairman
Subcommittee on Aviation

US Department
of Transportation
Federal Aviation
Administration

Office of the Administrator

800 Independence Ave., S.W.
Washington, D.C. 20591

APR 13 1984

The Honorable Norman Y. Mineta
Chairman, Subcommittee on Aviation
Committee on Public Works and Transportation
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This is in response to your additional questions for the record to the November 10 hearing on reductions to the Federal Aviation Administration's (FAA) air carrier inspector work force.

A revised table of the "Summary, Work Program and Activity" report is enclosed. Changes include an additional 1,403 en route inspections conducted in 1981 that were omitted by error and a reduction of 5,610 inspections in 1982 when general aviation activity of one FAA region was inadvertently added to those of air carrier data. These corrections do not eliminate the apparent growth in activity between 1981 and 1982. Therefore, a further explanation of the data is needed. A number of reporting organizations revised their reporting systems in 1981, and much of the 1981 data are missing which tends to distort the relationship of activity between the 2 years. It is unfortunate that this fact was not emphasized during the hearing, although we believe a data qualification sheet was provided to you when Mr. Helms gave you the summary of work program and activity. If this was not the case, we have enclosed a copy of that information for your use. A reasonable interpretation of all the facts does lead to the conclusion that inspector activities did decline between 1981 and 1982. Of course, we do expect an improvement in activity as our new initiatives are brought on line and we begin to receive the benefits of our increased inspector staffing.

The agency's endeavor to increase efficiency through cross-utilization of air carrier and general aviation inspectors should not be viewed or interpreted as an arbitrary policy decision to assign certain traditional air carrier work activities to general aviation inspectors or vice-versa. Rather, it is one means to better use FAA resources to accomplish its mission.

The general aviation inspectors' exposure to complex operations is not new. Commuter operations by air taxi certificate holders ("scheduled air taxis") did not begin with airline deregulation but have been in existence for more than 15 years. These certificates have been issued and monitored by the general aviation district office inspectors throughout this time frame. Many general aviation inspectors are very knowledgeable of commuter operations, and many of the inspectors have received additional training to perform work activity in airline as well as commuter operations.

Your concerns for the impact on the general aviation work force as well as the cross-utilization of inspectors will be addressed during the Secretary's review of FAA's Safety Regulatory program. You may be assured that all recommendations will receive a positive and prompt response by FAA.

The Air Crew Management Program will free up 20 percent of the air carrier inspectors if each Part 121 carrier participates. However, this percentage may not be reached because of the voluntary nature of the program, whereby some carriers may not wish to take advantage of the opportunity.

The hiring freeze imposed by the Department of Transportation in late 1981 was rescinded January 26, 1984. We wish to assure you we did not lower our standards when hiring aviation safety inspectors during the employment freeze, and new hires will continue to possess the necessary experience to conduct their activities. New hires in the air carrier inspector work force will come from various sources including the airline industry, the general aviation community, military, and offices within FAA.

Thank you for your continued interest and leadership in aviation matters.

Sincerely,

Donald D. Engen
Administrator

Enclosure

SUMMARY
Work Program and Activity

Operations

	1980	1981	1982	1983*
Airmen Certification	12,493	6,293	16,280	12,498
Proficiency/Qualification Check	11,549	4,983	1/ 4,713	5,595
En Route Inspections	11,721	14,765	1/ 17,213	6,796
Investigations	2,353	1,936	5,401	2,555
Surveillance	3,997	1,969	12,513	1/ 13,617
Inspections	3,471	3,052	4,803	1/ 4,563
TOTAL	45,584	32,998	1/ 60,923	1/ 45,624

Maintenance

	1980	1981	1982	1983*
Surveillance	29,345	24,373	34,310	18,832
Certifications	6,761	10,941	19,655	14,711
Investigations	1,882	3,966	9,180	5,199
Enforcement/Compliance	779	792	474	250
En Route Inspections	1,849	2,327	2,474	1,614
Spot Inspections	4,294	4,018	4,257	2,099
Ramp Inspections	6,269	6,462	7,256	3,860
Malfunctions and Defects	3,989	5,180	4,374	2,846
TOTAL	55,168	58,059	81,980	49,411

Avionics

	1980	1981	1982	1983*
Surveillance	12,596	9,438	12,108	6,989
Certifications	1,823	2,459	2,997	2,197
Investigations	445	1,393	1,915	1,187
Enforcement/Compliance	275	107	102	59
En Route Inspections	537	689	626	375
Spot Inspections	1,904	1,839	1,522	710
Ramp Inspections	2,661	2,204	2,325	1,242
Malfunctions and Defects	818	972	677	466
TOTAL	21,059	19,101	22,272	13,225
Grand Totals	121,811	110,158 1/	165,175	1/ 108,260

*Partial year
1/ Revised

REVISED 3/19/84

Data Qualifications:

Operations:

Airmen Certifications - Drop in 1981 activity due to missing Miami and ANM data.

Surveillance - 1982 data high because ANM data also included inspection activities.

Maintenance:

Surveillance - 1981 and 1982 data reflects no data for ANM in 1981 and 1982 data included inspections.

Certifications - No data available from ANM for 1981.

Justification - 1982 - different reporting system in ACE that included special assignments and avionics activities.

Avionics: .

Surveillance - 1981 - no data reported for Miami and ANM.

Responses to Minority Questions for the Record

Question

It is my understanding that as part of the FAA's field office consolidation, field managers have been given more flexibility to schedule work and to delegate certain work activities to non-FAA designees. Would you give this Subcommittee an example of what work activities are being delegated to non-FAA personnel and whether or not any guidelines are given to field managers relative to determining whether or not these non-FAA designees are qualified to carry out these activities?

Answer:

Nationally field managers have not yet been given additional flexibility to delegate air carrier operations work functions.

A program is underway in the Southern Region to evaluate the effectiveness of using designees in air carrier turbojet airman certification. Initial indications of this evaluation program are positive. However, a complete and thorough review is in progress. If this review supports the initial indications, field managers will be given expanded flexibility through national guidelines. A copy of the FAA's Southern Region Supplement that describes this program is attached.

Question

In your testimony (page 4) you stated that installation of 61 of the 200 information processors are now installed and in use. Could you share with this Subcommittee how the FAA is carrying out its training on the use of this equipment and whether or not this training will be completed by the end of next year when you expect the project installation will be finished?

Answer:

Training is included in the original ASAS equipment contract. It begins 2 days after initial installation of the equipment and consists of 60 hours (over a 3-week period). Included in this training program are word processing, data processing, and telecommunications.

Approximately 500 field, district, and regional office employees are currently trained. This training program will be completed 3 weeks after delivery at the last site in August 1984.

Question

It is my understanding that one of the capabilities of the ASAS system will be to more effectively respond to information requests from Congress. Would you please provide us with examples of what type of information will be available to the Congress from this data system?

Answer:

Some of the automated data systems that ASAS will provide are:

- o Enforcement information
- o Service Difficulty information
- o Accident/Incident data
- o Civil Aviation Security data
- o Airmen and Aircraft data
- o Information pertaining to various FAA inspections of pilots/aircraft

Dat~~e~~ → 260

from 4

SUPPLEMENT

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
SOUTHERN REGION

8430.6B SO SUP 9

8/15/83

Cancellation Date: Retain

SUBJ: AIR CARRIER OPERATIONS INSPECTOR'S HANDBOOK

1. PURPOSE. This supplement issues SO Appendix 3 to Chapter 11, Designation and Supervision of Air Carrier Airmen Examiners, Handbook 8430.6B. SO Appendix 3, Aircrew Program Manager Program, contains instructions and procedures for the selection and assignment of Aircrew Program Managers and the designation and supervision of those check airmen designated as Aircrew Program Designees by the Administrator in accordance with the provisions of Section 314(a), Federal Aviation Act of 1958.

PAGE CONTROL CHART

Remove Pages	Dated	Insert Pages	Dated
-	-	1100-S02 (facing Page 1101)	8/15/83
-	-	SO Appendix 3, Pages S01 thru S011 (following SO Appendix 2)	8/15/83

CHARLES H. HUETTNER
Manager, Flight Standards Division

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Distribution: A-X(FS)-3; FFS-5 and 7 (Hax); FFS-8 (Std)

Initiated By: ASO-260

SO SUPPLEMENTAL PAGE

CHAPTER 11-SO1. DESIGNATION AND SUPERVISION OF AIR CARRIER AIRMEN EXAMINERS.

See SO Appendix 3 for Aircrew Program Manager Program which follows SO Appendix 2.

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SO APPENDIX 3. AIRCREW PROGRAM MANAGER PROGRAM

SECTION 1. GENERAL

1. PURPOSE. This appendix contains instructions and procedures for the selection and assignment of Aircrew Program Managers and the selection, designation and supervision of those check airmen designated as Aircrew Program Designees by the Administrator in accordance with the provisions of Section 314(a), Federal Aviation Act of 1958.

2. OBJECTIVE OF THE FAA AIRCREW PROGRAM MANAGER'S PROGRAM

a. To provide convenient, expeditious airman certification testing service to certificated operators.

b. To ensure the highest level of quality and professionalism in conducting airman certification services.

c. To provide the FAA with specialized operator and aircraft expertise to facilitate regulation by objectives and in-depth surveillance activities.

3. DISCUSSION. The Aircrew Program Manager Program is designed to provide the FAA with a person who has specialized expertise to manage a designee program for a specific certificate holder. The person is called an Aircrew Program Manager, or APM. A certificate holder may not have a designee program within his company unless there is an APM assigned to manage that program. The APM is an FAA operations inspector who specializes in one or two aircraft for a specific certificate holder. The APM reports to the Principal Operations Inspector (POI) and is responsible for assisting the POI by managing all programs on the aircraft(s) to which he is assigned. This includes all duties from technical evaluations of company procedures and programs to actually conducting flight checks and surveillance. The APM's must become intimately knowledgeable of company policies, procedures, training techniques, etc., in order to assure his ability to professionally manage his assigned aircraft and designee program(s). His management of the program will include training, surveilling, and monitoring the company designees and coordinating activities of the principal operations inspector concerning his assigned aircraft. The certificate holders' designees are called Aircrew Program Designees or APDs.

The APD is a fully qualified, current company Check Airman for a specific aircraft who has been selected and before being approved by the assigned POI, has successfully completed all training and qualification requirements contained herein. The Aircrew Program Designee's authority is limited to conducting certification checks to applicants who have successfully completed the certificate holder's approved ground and flight training programs.

4. ACTION. Field and regional office managers will employ the guidance contained in Sections 1 and 2 of this appendix in implementing the Aircrew Program Manager Program.

SECTION 2. DESIGNATION AND SUPERVISION OF AIRCREW PROGRAM MANAGERS (APM)

5. PREREQUISITES FOR APM SELECTION. Aircrew Program Managers are responsible for one or two specific aircraft programs for a specific certificate holder. They function in conjunction with designated aircrew program designees which they train, evaluate, and surveil. Prerequisites for APM selection are:

a. Successful completion of all formal agency training required for assignment to a Principal Operations Inspector, Airman Certification Inspector, or Assistant Principal Operations Inspector.

b. A minimum of at least one year's experience as an Airman Certification Inspector, Principal Operations Inspector, or Assistant Principal Operations Inspector in the group of aircraft involved.

c. A type rating in an aircraft in the same group of aircraft to which selected.

d. An agreement to remain in the assignment for a minimum of 18 months.

6. REQUIREMENTS PRIOR TO FINAL APM DESIGNATION. The Aircrew Program Manager is responsible for management of the aircrew program designee program on the specific aircraft to which he is assigned. He must manage the designee program to ensure that the highest qualified individuals are designated and that the highest level of professionalism and safety are maintained. He must, therefore, become an expert in both the company and the aircraft operations involved. The following are the minimum requirements which must be met prior to an inspector being finally assigned as an Aircrew Program Manager for a particular operator.

a. Successful completion of the following phases of the operator's pilot-in-command approved training program appropriate to the specific aircraft type:

(1) Company indoctrination.

(2) Transition/Ground Simulator and Flight Training, and

(3) Instructor/Check Airman Ground and Simulator Training.

b. Completion of a minimum of three revenue flights observing the operation from the jump seat. These flights will consist of remaining with the aircrew throughout their rotation. Therefore, if the aircrew is required to remain overnight at en route stops, the APM will remain overnight with the aircrew. This program will be followed until the APM is familiar with a cross section of line operations concerning the aircraft involved. In accomplishment of this job function, the APM will utilize the SF-160 on a "must fly" basis for each flight. The APM will fill out Items 1 through 14 and 78 through 83, FAA Form 8430-5, Air Carrier En Route Inspection Report-Operations. Additionally, the APM will not grade or enter any information in Items 15 through 77, 84, 85, and 87,

under any circumstances. Item 86 will be utilized to enter the remark, "Participating in Aircrew Program Manager Training with _____ Airlines."

c. Be intimately familiar with all company manuals, procedures, policies, practices, bulletins, directives, union contracts, company policies and procedures as they apply to crewmembers and operations guidelines and specifications, applicable to the type aircraft operations.

d. During the period the Aircrew Program Manager is in training with the assigned airline, he will not accomplish the normal inspector functions or duties, nor will he report observations as normally required.

7. APM DUTIES AND RESPONSIBILITIES. The APM's duties and responsibilities will normally be limited to the specific certificate holder(s) and specific aircraft(s) to which assigned. In accomplishment of these duties and responsibilities, he will:

a. Be the FAA expert on all company programs involving the specific aircraft to which assigned.

b. Be responsible to the assigned POI and for assuring the POI is briefed and kept current on all issues pertaining to his assigned aircraft.

c. Be responsible for management of the designee program on the specific aircraft to which assigned.

d. Be responsible for review and action on all correspondence and proposals pertaining to the specific aircraft to which assigned.

e. Be responsible for surveillance of all operations and training conducted by the certificate holder on the specific aircraft to which assigned.

SECTION 3. DESIGNATION AND SUPERVISION OF AIRCREW PROGRAM DESIGNEES

8. PROFESSIONAL QUALIFICATION OF AIRCREW PROGRAM DESIGNEES.

a. Aircrew Program Designees will have the following qualifications:

(1) Be an employee of the certificate holder.

(2) Possess the appropriate current airman certificate and ratings on the specific aircraft for which authority is being sought.

(3) Be qualified and current as a check airman for the certificate holder in the aircraft involved, and

(4) Be recognized in his field as an individual who possesses above average knowledge, ability and experience in all aspects of his job function, and is capable of making a decision and standing by that decision.

b. The professional qualifications of a prospective aircrew program designee will be determined by the POI in coordination with the Aircrew Program Manager.

9. DESIGNATING PROCEDURES. "Examiner Designation and Qualification Record," FAA Form 8710-6, will be used in the designation of Aircrew Program Designees.

a. District Office Responsibilities.

(1) Aircrew Program Designees will be designated by the assigned POI.

(2) The assigned POI will ensure that any person designated as an aircrew program designee will reflect creditably on the agency. In addition to the professional qualifications, the prospective designee must meet the following general requirements.

(a) Be an honest, dependable individual with integrity and have a good reputation in the industry and his community.

(b) Have a good record of compliance with the Federal Aviation Regulations.

(c) Have successfully completed, prior to designation, the certificate holder's approved pilot-in-command ground and flight training, check airman training and the training required by FAA for designation.

(3) The Aircrew Program Manager will secure from the certificate holder a complete statement of the applicant's professional qualifications on FAA Form 8710-6.

(4) After the POI and Aircrew Program Manager have determined that the professional qualifications of paragraph (1) above have been met, the prospective aircrew program designee will be given the indoctrination and training outlined below.

b. Designation Indoctrination and Training.

(1) The indoctrination and training for all Aircrew Program Designees will be supervised by an Aircrew Program Manager who is assigned to manage the program for the operator and aircraft involved.

(2) The Aircrew Program Manager will instruct, observe, test, and evaluate to ensure the prospective designee possesses the:

(a) Knowledge, ability, and skill required for the original issuance of the particular designation.

(b) Knowledge of the mechanics and techniques associated with administering the particular tests involved.

(c) Knowledge of the contents of the appropriate designee's responsibilities, authority, limitation, FAA supervision and the FAA forms and reports associated with the particular designee function.

(3) In determining the above, the Aircrew Program Manager will observe the prospective aircrew program designee conduct, evaluate, grade, and critique at least one complete oral examination and flight check appropriate to the certificate or rating involved. If it is determined that the prospective designee does not satisfy all requirements, he will not be designated. The FAA will advise the certificate holder in writing of the reason(s) for not selecting an applicant.

(4) The POI will impress upon the prospective designee that in performing the functions of the designee position, he will be a representative of and responsible to the FAA. The prospective designee must understand that company policies, economics, union affiliation and seniority with the certificate holder have no place in determining the qualifications of an applicant.

(5) In addition to the above, the applicant will be given training on the following subjects. The training will normally be conducted by the Aircrew Program Manager in the certificate holding office:

(a) FAA Organization

(b) Field Office Interface with Certificate Holder

(c) FAA Act

(d) Appropriate FAR's

(e) Appropriate Handbooks, Advisory Circulars, etc.

(f) Part 121 Training Program/Flight Checking Requirements

(g) Part 61 ATPC Certificate Requirements

(h) ATPC Oral Test Standards and Requirements

(i) ATPC Simulator Flight Test Standards and Requirements

(j) ATPC Airplane Flight Test Standards and Requirements

(k) Use of

- FAA Form 8710-6, Examiner Designation and Qualification Record

- FAA Form 8060-4, Temporary Airman Certificate

- FAA Form 8060-5, Notice of Disapproval of Application

- FAA Form 8410-2, Application for an Airman Certificate and/or Rating

(6) Following the above training, applicants in training for an initial designation will receive one day of generalized indoctrination at the FAA Aeronautical Center prior to final designation. Arrangements will be made with the Operations Branch, ASO-260. The Aircrew Program Manager will not accompany the applicant during this indoctrination.

(7) A designee who has been successfully participating in one type aircraft and is being upgraded and/or changing assignment to another aircraft in the same group will be given only that part of the training in paragraph (5) above, applicable to the aircraft type.

c. All Aircrew Program Designee designation numbers will consist of a combination of region and field office identification as illustrated in the following: ASO-ATL-FSDO-4-DAL....indicates the 4th designee designation issued by the Atlanta FSDO, Atlanta, issued to Delta Air Lines.

d. Aircrew Program Designee designation numbers will be issued in numerical sequence by the certificate holding office.

e. Aircrew Program Designee authority will be limited to evaluating applicants for certification who have successfully completed the certificate holder's approved training program for a specific aircraft. For example, any airman completing Eastern Airlines approved B-727 training program may be evaluated by an Eastern Airlines B-727 designee. Eastern Airlines designees may not, however, evaluate applicants resulting from a dry lease of the Eastern Airlines simulator. Those applicants must be evaluated by designees approved for the operator dry leasing the simulator or by the FAA, as appropriate.

10. PROCESSING OF DESIGNATION FILE - ORIGINAL ISSUANCE.

a. District Office Responsibilities.

(1) The certificate holding office will be responsible for completing the FAA Form 8710-6.

(2) After the prospective aircrew program designee has satisfactorily completed the indoctrination and training, the Aircrew Program Manager will complete the field office section of FAA Form 8710-6, except for signing his name in the "Inspector's Signature" block, and complete the last line of the "Regional Office Action" section, i.e., in the "Type of Designation" block enter Aircrew Program Designee, in the "Certificate of Authority Issued" block under No., enter, as an example, ASO-MIA-FSDO-4-EAL, and in the "Expiration Date" block, enter INDEF. Nothing need be entered in the "D.O. to Serve Under"

block because the certificate number identifies the district office under which the designee will serve.

(3) Following review, the POI will indicate his approval by signing his name in the "Inspector's Signature" block and forward the FAA Form 8710-6, in duplicate, to the Manager of the Regional Office Operations Branch.

(4) The Manager of the Regional Office Operations Branch will complete the last section on the reverse side of FAA Form 8710-6 by either concurring in or disapproving the designation, entering the data and affixing his signature thereto.

(5) Following approval by the region, the POI will prepare and sign the Certificate of Designation, FAA Form 8000-5, and the Certificate of Authority, FAA Form 8430-9, in duplicate. The Aircrew Program Manager will issue the original of the Certificate of Authority, together with the required designee material, to the newly designated designee.

b. Regional Office Responsibilities.

(1) Upon receipt of the FAA Form 8710-6, the region will review the information submitted to ensure that the designation is fully justified. When satisfied with the action taken, the Manager, Operations Branch, will complete the last section of the FAA Form 8710-6 and return one copy of the form to the certificate holding office.

(2) If the Regional Office finds that proper action has not been taken, the FAA Form 8710-6 will be returned to the certificate holding office with a memorandum stating the reasons, request additional information, or specify action required.

c. The Manager, Operations Branch, is responsible for providing standards and procedures for effective administration of the aircrew program designee program.

11. ISSUANCE OF ADDITIONAL DESIGNEE PRIVILEGES. Only one Certificate of Authority, FAA Form 8430-9, will be used or be held by a designee at any one time. Amendments to designations will be processed in the same manner as original designations.

12. SUPERVISION AND ADMINISTRATIVE CONTROL OF DESIGNEES.

a. The supervision of an aircrew program designee is the responsibility of the Aircrew Program Manager. All instructions, manual, supplies, and correspondence, will be delivered through the Aircrew Program Manager.

b. The designee will be under the continuing surveillance of the Aircrew

Program Manager who will coach and counsel as necessary. Emphasis should be placed on the designee's general handling of applicants, the maintaining of the desired test standards, and the correct completion and handling of airman files and required reports.

c. The Aircrew Program Designee should be encouraged to contact his Aircrew Program Manager whenever in doubt on any item.

d. Aircrew Program Managers will attend the certificate holder's regular pilot meetings, safety meetings/seminars, etc., and ensure that routine designee meetings are held each year for the purpose of maintaining close working relationships and the discussion and clarification of any problem areas. Special designee meetings will be held in connection with any change or agency airman certification requirements, policies or procedures that may affect the particular designee.

e. Aircrew Program Designees and/or the operator will provide the Aircrew Program Manager, on a regular basis, schedules of proposed activity. This schedule should reflect the designee's proposed activity as far in advance as the capability of the program permits. The Aircrew Program Manager will provide the operator with the list of certification evaluations which will be conducted by FAA inspectors from the schedule provided. FAA reserves the right to conduct any evaluation it deems necessary.

13. CHANGE OF BASE.

a. Aircrew Program Designee's Certificates of Authority will bear the name of the certificate holding office under which he is authorized to serve. Aircrew program designee test files will be accepted only by the certificate holding office listed on the designee's Certificate of Authority.

b. In the event an Aircrew Program Designee leaves the employment of the certificate holder, his designation is cancelled.

14. PROCESSING OF FILES SUBMITTED BY AIRCREW PROGRAM DESIGNEES. Aircrew Program Designees will expedite the transmittal of airman files. The date indicated by the Aircrew Program Manager's signature on FAA Form 8410-2 should be that on which he reviewed the file.

15. DESIGNEE'S AUTHORITY AND LIMITATIONS. Specific instructions must be furnished each aircrew program designee by the Aircrew Program Manager.

a. In addition to the functions authorized the individual through the certificate holder's Check Airman Program, the Aircrew Program Designee is authorized to conduct evaluations of applicants successfully completing the certificate holder's appropriate approved ground and flight training programs for certification and/or type rating purposes.

b. Aircrew Program Designees are NOT authorized to conduct written tests.

c. Aircrew Program Designees will endorse only those airman certificates which they issue. They will not amend or alter any airman certificates.

d. Aircrew Program Designees will not conduct evaluations of applicants which they have instructed.

e. All certification testing conducted by aircrew program designees will be limited to the privileges contained in the designee's airman certificate and as further shown on his Certificate of Authority.

f. Aircrew Program Designees will be authorized on only one aircraft type operated by that certificate holder.

g. Applicants for certificates or ratings involving special medical tests for waiver, or any ordered retest for competency, will not be handled by aircrew program designees. Aircrew program designees must be instructed, and thoroughly understand, that all such applicants must be referred to their Aircrew Program Manager.

h. The Aircrew Program Designee privileges will be clearly shown on the Certificate of Authority and will be restricted to the particular tests, aircraft type, and certificate holder for which his services are specifically needed and for which he was successfully trained and examined.

16. REQUEST FOR REVIEW OF DESIGNEE DECISIONS.

a. An airman who is not satisfied with an Aircrew Program Designee's decision may apply to an Aircrew Program Manager for retesting. In such cases, the Aircrew Program Manager will decide if retesting is warranted and the extent of such retesting. A new application and test file covering the items retested should be prepared.

b. The results of the retest will be forwarded to the Regional Operations Branch.

17. DESIGNEE'S SUPPLIES AND MATERIAL. After designating the Aircrew Program Designee, the Aircrew Program Manager will issue him/her the following items and is responsible for furnishing him/her with current amendments or additions to his/her required material:

a. A copy of this Supplement. This provides a ready reference and guide for designated Aircrew Program Designees.

b. A supply of appropriate application forms, FAA Form 8710-6.

c. A book of Temporary Airman Certificates, FAA Form 8060-4.

d. A supply of Notice of Disapproval of Application, FAA Form 8060-5.

e. A supply of Airman Certification Logs, FAA Form 8000-29.

f. A copy of pertinent FARs, if not issued by the company.

18. DURATION OF AIRCREW PROGRAM DESIGNEES DESIGNATIONS. Aircrew Program Designee designations are of a continuing/indefinite duration unless cancelled. 183.15

19. CANCELLATION OF DESIGNEE'S DESIGNATION. The cancellation of an Aircrew Program Designee designation may be based on any of the following:

a. Termination of the certificate holding office's need for the designee's service.

b. Change in the Aircrew Program Designee program policy of the region.

c. Voluntary surrender of the designation by the Aircrew Program Designee with a request, in writing, that it be cancelled.

d. Evidence of malpractice or fraudulent use of the designation, or any action on the part of the Aircrew Program Designee reflecting discredit upon the agency.

e. Continued unsatisfactory performance in any phase of his designee duties or responsibilities, including inability to accept or carry out field office instructions.

f. Subsequent evidence indicating the general or professional qualifications and requirements were, in fact, not met for the original designation.

20. CANCELLATION PROCEDURES. The POI will initiate action for the cancellation of Aircrew Program Designee designations.

a. Cancellations based on paragraphs 19a, b, and c, should be handled by an informal meeting with the designee, if possible, and confirmed by a letter from the POI to the designee. A copy of this letter will be forwarded, through channels, to the region. The letter should reflect agency appreciation commensurate with the designee's services rendered and, if possible, set an effective cancellation date which will permit the designee to complete tests he may have scheduled. This letter should also request the return of the designee's Certificate of Authority and all unused agency material and supplies issued him. The designee's display type certificate, FAA Form 8000-5, may be retained by him after it has been marked "Cancelled," dated, and signed by the POI.

b. Cancellations based on paragraphs 19d, e, and f, will be handled by a registered letter from the POI to the designee. This letter will clearly state the reasons for the cancellation action and set an immediate effective date. The letter will request the return of the Certificate of Authority, FAA Form 8430-9, the display-type certificate, FAA Form 8000-5, and all unused agency material and supplies issued to him. Copies of this letter will be forwarded, through channels, to the Region.

c. If the designee fails to surrender, or refuses to surrender, his FAA Form 8430-9, or FAA Form 8000-5, the POI will immediately advise the region. They, in turn, will consult with the Regional Counsel who will initiate legal action as considered necessary.

21. CANCELLED DESIGNATIONS. Designations which have been cancelled for any reason are no longer effective. A former designee whose designation was cancelled in accordance with paragraphs 19a, b, and c, may be redesignated on exactly the same basis as for original issuance. However, a designee whose designation was cancelled in accordance with paragraphs 19d, e, and f, will not be redesignated unless the FAA is shown the reason for the cancellation will not occur again.

22. PROCESSING OF CANCELLED DESIGNATIONS.

a. District Office Responsibilities. The Aircrew Program Manager will complete the FAA Form 8710-6, except for signing his name in the "Inspector's Signature" block. The Aircrew Program Manager will indicate his "approval/disapproval" in the "Inspector's Recommendation/Action" block. The FAA Form 8710-6 will reflect the action taken by the certificate holding office and the reasons therefor.

b. Regional Office Responsibilities. Upon receipt of the FAA Form 8710-6, the Regional Operations Branch will review the information submitted to ensure that the cancellation is completely justified. When satisfied with the case as presented, they will complete the last section of the FAA Form 8710-6 and return one copy to the certificate holding office.

23. DESIGNEE RECORDS, REPORTS, AND FAA FORMS.

a. The Regional Operations Branch will maintain a file for each Aircrew Program Designee. This file should consist of at least the following items:

(1) FAA Form 8710-6 (duplicate) required for original issuance, spot check and reinstatement.

(2) FAA Form 8000-29 (duplicate).

(3) Pertinent correspondence.

b. The certificate holding office will maintain a file on each Aircrew Program Designee. This file will contain the original or copies of the following items:

(1) FAA Form 8710-6 (original) required for original issuance.

(2) FAA Form 8430-9 (copy) required for original issuance.

(3) FAA Form 8000-29 (original).

(4) Pertinent correspondence.

ADDITIONS TO THE RECORD

SUBCOMMITTEE ON AVIATION

HEARING ON

REDUCTIONS IN THE FEDERAL AVIATION ADMINISTRATION'S AIRLINE INSPECTOR WORKFORCE AND THE IMPLICATIONS FOR AIRLINE SAFETY

NOVEMBER 10, 1983

SUMMARY OF SUBJECT MATTER

These hearings focus on recent reductions in the airline safety inspector workforce of FAA, and the implications of these reductions for aviation safety. FAA, as part of its responsibility to ensure airline safety, has an FY 1983 authorized staff of 534 air carrier inspectors. These inspectors are organized into two broad categories -- operations and maintenance.

The operations inspectors certify all aspects of air carrier flight operations. These include certification of individual pilots for different aircraft types; certification of individual air carrier training methods, procedures, and manuals; certification of air carrier simulator programs and dispatch systems; and certification of individual air carrier flight and cockpit procedures. Beyond certification, air carrier inspectors are responsible for continually making sure that all the operations of an air carrier are being conducted in accordance with FAA regulations.

Maintenance inspectors (often called "airworthiness" inspectors) are responsible for certification of air carrier maintenance programs. This includes the certification of mechanics, maintenance bases and repair stations used by air carriers, and of air carrier maintenance

procedures, manuals, and training. FAA inspectors also certify "major" repairs to air carrier aircraft. There is also a specialized subcategory of maintenance inspectors that concern themselves only with avionics.

Both types of inspectors, in order to carry out their responsibilities, conduct a variety of types of inspection and surveillances of air carriers. These can involve everything from asking to see a pilot's certificate, to observing aircraft and crews at the ramps, to flying on the aircraft in the jump seat on an enroute inspection, to inspection of logs and other records, to larger investigations of an aspect of an air carrier's operation or maintenance program.

Inspectors are based at Air Carrier District Offices (ACDO's) generally located at major airports.[1] Some air carrier inspectors are organized into Flight Standard District Offices (FSDO's) which have combined air carrier and general aviation responsibilities. Inspectors can be assigned to particular carriers or they can be responsibile for inspecting all air carriers within a specific geographic area.

In FY 1981 there were 383 authorized air carrier operations inspectors and 255 maintenance inspectors. By the end of 1983

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[1]There are also inspectors with similar responsibilities for general aviation and commuter carriers. These are generally organized into General Aviation District Offices (GADO's).

authorized air carrier operations inspectors had been reduced to 314 and authorized air carrier maintenance inspectors had dropped to 220 (a 16% reduction from FY 1981). FY 1984 authorized positions are not yet firm, but are expected to be approximately 7% fewer than FY 1983. The FAA is therefore most of the way through an estimated 23% reduction in its authorized airline safety inspector workforce over the FY 1982 to FY 1984 period.

These staff reductions have occurred when FAA has increased responsibilities under airline deregulation. Under the competitive freedom authorized by deregulation, approximately 20 new scheduled passenger carriers operating large jet aircraft have recently entered the marketplace, and many of the more established carriers are realigning their routes and operations. There has also been tremendous growth in the number of cargo and charter carriers which also require inspection and surveillance.

Data on inspection and surveillance activity supplied by FAA generally indicate that 6 to 7% fewer inspections and surveillances are being conducted nationwide in FY 1983 than in previous years, although trends in activity vary at individual ACDO's (see attachment).

While the FAA has had to work within the general constraints of its Operations account in the appropriations process, FAA has the authority within that overall account to increase, decrease, or hold

level some specific subaccounts. Spending for air carrier inspectors constitutes only slightly more than 1% of all Operations account spending. FAA has chosen to reduce the number of air carrier inspectors while increasing other items in the overall Operations account. A major issue of the hearing will be FAA's justification for a policy of reduction in this specific area in light of the changing environment brought about by airline deregulation.

FAA has initiated a number of management and program changes that are aimed at accomplishing more inspection with fewer people. However, as indicated above, despite these changes, total inspector output (in the form of inspections conducted) has declined. These include (1) consolidation of some Air Carrier and General Aviation District Offices, accompanied by general aviation inspectors taking on air carrier inspection responsibilities, (2) consolidation of air carriers and general aviation management in order to save inspector positions, (3) adoption of an automated information retrieval system (Aviation Safety Analysis System), and (4) off loading of air carrier airmen certification responsibility to the carriers themselves through the Aircrew Management Program.

Other issues that will be considered in the hearing are the effect of government hiring freezes on the quality of new hires into the inspection workforce; the effect that a surge in retirement would have on the experience level of the inspector workforce; and whether the geographic distribution of inspection adequately reflect the current location of certificates and workload.

ATTACHMENT

SUMMARY

Part 121 Certificates 1979 - 35 scheduled carriers; 30 "non-skeds"*
1983 - 65 scheduled carriers; 79 "non-skeds"

* For lack of a better term, "non-skeds" refers to Part 121 scheduled and non-scheduled cargo, commercial, and charter carriers

	1981	1982	1983	83/81 % Change
Authorized Operations Inspectors	383	349	314	- 18%
Authorized Maintenance Inspectors	255	225	220	- 14%
Total	638	574	534	- 16%

INSPECTION ACTIVITIES FROM LARGEST 20 OFFICES (80% OF FIELD INSPECTORS)

	1981	1982	1983**	83/82 % Change
Operations Inspections & Surveillances*	18,733	18,175	16,738	- 8%
Maintenance Inspections & Surveillances*	35,956	37,285	34,667	- 7%
Total	54,689	55,460	51,405	- 7%

*Does not include certification or demand work. These frequencies reflect inspector initiated activity.
**6 months x 2

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Committee on Public Works and Transportation
U.S. House of Representatives
Room 2165, Rayburn House Office Building
Washington, D.C. 20515
TELEPHONE: AREA CODE 202, 225-4472

October 28, 1983

Honorable Lynn Helms
Administrator
Federal Aviation Administration
Washington, D.C. 20591

Dear Lynn:

I am writing you to lay out some of my serious concerns associated with reductions in FAA's air carrier inspector staff since 1982 and to request that you respond to these concerns at the November 10 Subcommittee on Aviation hearing on this issue.

Just comparing FY 1982 with FY 1983, FAA has reduced the authorized field inspector workforce 16%. Further reductions will take place in FY 1984. Air carrier operations inspectors in particular have been reduced even more than that. I would be concerned with such a reduction even in times when the industry was stable, but this reduction seems particularly inappropriate at a time when the industry is undergoing tremendous changes as a result of airline deregulation. FAA's responsibility for regulating and ensuring air carrier safety has certainly not diminished as a result of deregulation; rather it seems clear to me your responsibilities have, if anything, increased in importance. Since the advent of deregulation approximately 20 new scheduled carriers have begun operations with large jet aircraft. At the same time, the older, more established carriers, in order to become more efficient and competitive, have made major changes in the nature of their operations, both geographically and service-wise.

Because of deregulation, some Air Carrier District Offices have become responsible for managing more air carrier operations and maintenance certificates, and some Air Carrier District Offices have seen tremendous increases in air carrier activity in the areas for which they are geographically responsible. In numerous instances these increases in responsibility must be handled with fewer people.

I recognize that beginning in FY 1982, the Administration began pushing for budget reductions in a wide range of government activities, including the aviation programs, and that the Office of Management and Budget, for all intents and purposes, established certain levels of funding without consideration of agency views on program needs. What causes me concern with regard to the air carrier inspector program, beyond the reduction itself, is that the staff reductions in this area originated at FAA and not at OMB. What I would like you to be prepared to discuss at the November 10 hearing is what led you to recommend cuts in this area at a time when new carriers were coming on line and some established carriers were in the process of fundamentally realigning their operations. Did these cuts result from recommendations from the field or Region level that not as many staff were needed? Or was there a Headquarters assessment that despite the industry changes being brought about by economic deregulation, FAA inspection or surveillance staff should be reduced?

It is my understanding that a number of management and program changes are being initiated in the air carrier inspection program. These changes involve consolidation of Air Carrier and General Aviation District Offices and management, the closing of some offices, a more timely & more automated information retrieval system (Aviation Safety Analysis System), and an off-loading of air carrier airman certification with the Aircrew Management Program. In the November 10 hearing, I would like to explore these specific management and program changes with you and their implications for the air carrier inspection program.

I am not necessarily against such changes, but again FAA's general approach causes me concern. Most of these management and program changes seem to be a response to the staff cuts or, as we have heard from field inspectors, a way of coping with the staff reductions. Most of these management and program changes are new, as of mid-FY 1982, or not yet even in effect. In an area as sensitive and important as safety inspection and surveillance of air carriers, it initially strikes me that a more cautious approach, even assuming these management and program changes are desirable, would be to put them in place prior to any major staff reductions.

With regard to the November 10 hearing, I believe you have a burden, aside from justifications for specific management and program initiatives, to provide the Subcommittee your general rationale for the timing of the program and management changes relative to when the staff reductions were made.

Beyond these broad concerns, I have some more specific concerns I wish you to address on November 10. It is my understanding that the geographic distribution of the field inspection workforce does not adequately reflect the current location of certificates and workload and that staff reductions have been made arbitrarily across-the-board rather than based on an assessment of where the people were most needed.

I also have concerns regarding the effect of hiring freezes on the quality of new hires into the inspection workforce. It is my understanding that FAA cannot hire inspectors from outside the government, thereby precluding recruitment of new people intimately familiar with air carrier managment and operations.

I also have concerns that many of FAA's best and most experienced inspectors are at or near retirement age, and that in a very short period of time, we face the prospect of a sudden surge in retirements, accompanied by a sudden drop in the experience level of the inspector workforce.

I want to say to you now, and I will say at the outset of the hearing, that you and the FAA have much to be proud of in the realm of air carrier safety. The record has been exemplary and has been getting better. My concern is that the inspection staff reductions we are looking at now will show up in the long run as future safety problems. FAA's air carrier inspectors are the "cops-on-the-beat" in the eyes of both the carriers and the traveling public, and my concern is that there are fewer "cops" than there used to be and that the "beat" has expanded as well.

In short, I want you to explain to the Subcommittee on Aviation why it has been, and continues to be, the policy of FAA to reduce the FAA's inspection and surveillance presence. I must say to you that it is going to take a lot to convince me these reductions are the proper course of action.

Sincerely,

NORMAN Y. MINETA
Chairman
Subcommittee on Aviation

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Committee on Public Works and Transportation
U.S. House of Representatives
Room 2165, Rayburn House Office Building
Washington, D.C. 20515
TELEPHONE: AREA CODE 202, 225-4472

November 18, 1983

Honorable Elizabeth Dole
Secretary of Transportation
Washington, D.C. 20590

Dear Secretary Dole:

On Thursday, November 10, the Subcommittee on Aviation held a hearing on the reductions in the FAA's air carrier safety inspector staff. The Subcommittee is concerned that the reductions could have long-term implications for the safety of the nation's airline industry. Comparing FY 1981 with FY 1983 there was a 16% reduction in the number of authorized field inspectors (638 and 534 respectively), and another 7% reduction is expected in the current fiscal year, for a total cut of approximately 23%.

What gives me concern about these reductions is that they are coming at a time when the FAA's responsibilities for air carrier inspection have expanded. Airline deregulation has spawned numerous new carriers and has resulted in the more established carriers realigning their operations both geographically and in the type of service provided. These developments have substantially increased the workload placed on FAA's field inspectors. Also, general economic trends are forcing the airline industry to examine any and all means to reduce costs. FAA's responsibility for ensuring that cost cutting does not have an impact on the safety of operations is most certainly increasing. Since neither the effects of deregulation nor the general economic climate are static, I believe those responsiblities and workload will continue to expand.

In the hearing, FAA Administrator Helms talked about a number of management and program initiatives aimed at increases in inspector productivity. Though I still have questions about some of these initiatives, I applaud Administrator Helms for his efforts to recoup in productivity increases what has been lost in staff. My concern is first of all that, while most of the staff cuts have already been made, most of the productivity enhancements will be implemented at some point in the future, and secondly, that when the productivity enhancements are realized, there is no assurance that we will even return to earlier capabilities, much less exceed them.

My view is that FAA's safety surveillance and enforcement capabilities need to be expanded beyond what they have been in the past to meet increasing workloads. Increases in productivity will be an integral part of any effort in this area, but it is my belief that there simply is no substitute for sustaining, rather than reducing, air carrier inspector staff in the field. Without a restoration of safety inspector staff, I believe FAA will be stretched too thin to carry out its responsibilities.

The airline industry is the safest mode of transportation, and since deregulation, it has been getting safer. My concern is that these cutbacks are the initial steps of loosening up of safety regulation of the airlines. Fewer inspectors translate into less FAA presence in the airline's day-to-day operations and into less of a sense among airline management and employees that someone is watching what they are doing. This may create on the part of some carriers a more lax compliance attitude that, in the long run, could reverse the excellent safety record that currently exists.

Everyone agrees that, while most of the economic decisionmaking in the airline industry has been deregulated, safety has not been deregulated and should not be deregulated. Both the public safety and the public confidence in this industry require a firm belief that FAA's regulation of airline safety ensures irreducible safety requirements which no airline can short-cut. The recent significant reductions in the FAA safety inspector workforce and in the FAA's regulatory "presence" in airline operations convey exactly the wrong message to the airlines and to the traveling public.

I recommend that the air carrier inspector workforce be returned to the FY 1981 authorized level. This would represent an increase of approximately 100 positions from present levels. I believe that such action, coupled with at least some of the FAA's proposed management and program initiatives, will enable FAA to carry out its important responsibilities to the extent expected by the traveling public and the airline industry.

Again, thank you for your consideration of this matter.

Sincerely,

NORMAN Y. MINETA
Chairman
Subcommittee on Aviation

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

FEB 3 1984

RECEIVED
1984 FEB -6 AM 11:46
NORMAN Y. MINETA, M.C.

The Honorable Norman Y. Mineta
Chairman, Subcommittee on Aviation
Committee on Public Works and Transportation
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman: Norm

This is in response to your letter recommending an increase of approximately 100 Federal Aviation Administration (FAA) air carrier inspector positions from present levels.

I share your interest in the FAA air carrier inspector work force and its responsibility to carry out the many activities necessary to assure industry compliance with safety rules. Currently, the FAA is authorized to use 100 temporary positions to supplement the air carrier inspector program. These positions are being filled from a pool of approximately 400 furloughed air carrier pilots available within FAA. A number of the temporary positions already have been filled, and additional positions will be filled as field managers identify their needs.

To assure that safety is maintained at the highest possible level in aviation as well as in other modes of transportation, on December 16, 1983, I initiated a review of the safety activities of each Operating Administration in this Department. A copy of my memorandum establishing this review process is enclosed for your information. One of the issues we will consider during the review is whether the FAA has a sufficient inspector work force to fully meet all of its responsibilities for the forseeable future. Your support of FAA and its programs is very much appreciated.

I hope this information is helpful.

Sincerely,

Elizabeth

Elizabeth Hanford Dole

Enclosure

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Committee on Public Works and Transportation
U.S. House of Representatives
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November 18, 1983

Honorable William Lehman
Chairman
Subcommittee on Transportation
Committee on Appropriations
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman: Bill:

On Thursday, November 10, the Subcommittee on Aviation held a hearing on the reductions in the FAA's air carrier safety inspector staff. The Subcommittee is concerned that the reductions could have long-term implications for the safety of the nation's airline industry. Comparing FY 1981 with FY 1983 there was a 16% reduction in the number of authorized field inspectors (638 and 534 respectively), and another 7% reduction is expected in the current fiscal year, for a total cut of approximately 23%.

What gives me concern about these reductions is that they are coming at a time when the FAA's responsibilities for air carrier inspection have expanded. Airline deregulation has spawned numerous new carriers and has resulted in the more established carriers realigning their operations both geographically and in the type of service provided. These developments have substantially increased the workload placed on FAA's field inspectors. Also, general economic trends are forcing the airline industry to examine any and all means to reduce costs. FAA's responsibility for ensuring that cost cutting does not have an impact on the safety of operations is most certainly increasing. Since neither the effects of deregulation nor the general economic climate are static, I believe those responsiblities and workload will continue to expand.

In the hearing, FAA Administrator Helms talked about a number of management and program initiatives aimed at increases in inspector productivity. Though I still have questions about some of these initiatives, we applaud Administrator Helms for his efforts to recoup in productivity increases what has been lost in staff. My concern is first of all that, while most of the staff cuts have already been made, most of the productivity enhancements will be implemented at some point

in the future, and secondly, that when the productivity enhancements are realized, there is no assurance that we will even return to earlier capabilities, much less exceed them.

My view is that FAA's safety surveillance and enforcement capabilities need to be expanded beyond what they have been in the past to meet increasing workloads. Increases in productivity will be an integral part of any effort in this area, but it is my belief that there simply is no substitute for sustaining, rather than reducing, air carrier inspector staff in the field. Without a restoration of safety inspector staff, I believe FAA will be stretched too thin to carry out its responsibilities.

The airline industry is the safest mode of transportation, and since deregulation, it has been getting safer. My concern is that these cutbacks are the initial steps of loosening up of safety regulation of the airlines. Fewer inspectors translate into less FAA presence in the airline's day-to-day operations and into less of a sense among airline management and employees that someone is watching what they are doing. This may create on the part of some carriers a more lax compliance attitude that, in the long run, could reverse the excellent safety record that currently exists.

Everyone agrees that, while most of the economic decisionmaking in the airline industry has been deregulated, safety has not been deregulated and should not be deregulated. Both the public safety and the public confidence in this industry require a firm belief that FAA's regulation of airline safety ensures irreducible safety requirements which no airline can short-cut. The recent significant reductions in the FAA safety inspector workforce and in the FAA's regulatory "presence" in airline operations convey exactly the wrong message to the airlines and to the traveling public.

I recommend that in your oversight and legislation on FAA's appropriations you seek the return of the air carrier inspector workforce to the FY 1981 authorized level. This would represent an increase of approximately 100 positions from present levels. I believe that such action is an essential part of enabling FAA to carry out its important safety responsibilities. The Subcommittee on Aviation stands ready to provide you with any of our materials on this issue and to assist you in any other way possible.

As always, I look forward to working with you.

Sincerely,

NORMAN Y. MINETA
Chairman
Subcommittee on Aviation

Identical Letter Sent to
Honorable Lawrence Coughlin

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

DEC 16 1983

MEMORANDUM TO: Commandant, U.S. Coast Guard
Federal Aviation Administrator
Federal Highway Administrator
Federal Railroad Administrator
Maritime Administrator
National Highway Traffic Safety Administrator
Research and Special Programs Administrator
St. Lawrence Seaway Administrator
Urban Mass Transportation Administrator

FROM: The Secretary

SUBJECT: ACTION: Transportation Safety Review

As I have discussed with each of you, deregulation has resulted in many changes and adjustments in our transportation industries. The airline, motor carrier, bus and rail industries are undergoing these changes not only as a result of economic deregulation, but also because of technological improvements. This has resulted in a dynamic new transportation environment which offers a variety of options to carriers, passengers and shippers.

Deregulation and technological change are, in short, revolutionizing transportation across every mode. In addition to the growth of new carriers, there have been great increases in the types of services available to shippers and the traveling public. The Department must continually adjust its programs to fit the changing circumstances within the affected industries.

Our nation continues to set standards for the world's transportation industries--particularly a standard of excellence in safety. We must be ever vigilant to address the changes in our industries and ensure that safety is not compromised in any way.

I indicated to you earlier this month in our senior staff meeting that we will be reviewing each agency's programs and activities to ensure that in no area are our safety responsibilities being compromised by these changes. This review includes the critical areas of:

-- licensing and certification
-- registration
-- operations
-- inspection
-- enforcement
-- emergency response

as well as other functions (such as research, testing, and education) which bear upon safety. Further, this review should address the adequacy of state and local efforts to enforce safety standards.

I will be in touch with you next week to discuss the specific plans for the review in your mode.

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

A84C213001

February 13, 1984

FEB 17 11 15 AM '84

MEMORANDUM FOR Michael J. Fenello
Acting Administrator
Federal Aviation Administration

FROM Elizabeth Hanford Dole
Secretary of Transportation

SUBJECT Inspection Functions
Federal Aviation Administration

As Secretary of Transportation, my principal emphasis is on the Department's safety responsibilities. For this reason, I have begun a review of the safety programs of all operating administrations. As we have discussed, in connection with the review at the FAA, I want particularly to assure the continuing effectiveness of the FAA safety inspection and surveillance programs. Towards this end, today I will be announcing plans to increase the number of inspectors, and a special 90-day program of increased surveillance. These are the first steps in our cooperative exploration of long-term safety needs and goals.

With respect to staffing levels, you should proceed immediately, in cooperation with the Assistant Secretaries for Administration and Budget and Programs, to increase the number of air carrier inspectors by 25 percent over the FY 1984 levels. This will bring the total from your current estimate of 508 to the 1981 authorized level of 674. I expect this to be accomplished within your current employment allocations by reexamining in detail your personnel priorities. I would appreciate a prompt report on how soon this increase can be accomplished.

I understand that the surveillance program will involve the establishment within two weeks of special surveillance teams in each region and one in headquarters, made up of safety inspectors with different specialities. Directed from headquarters, the teams will conduct spot checks of all elements of the aviation industry, the subjects to be chosen in accordance with FAA's judgment of priorities. At the end of the 90-day period, I will expect a report from the FAA on the results of the project, with any recommendations for improvement the teams may develop.

I appreciate the initiative and cooperative spirit the FAA has shown as we undertake this comprehensive review and analysis of the agency's safety programs.

January 16, 1984

RECEIVED
1984 JAN 23 AM 11:11
NORMAN Y. MINETA, M.C.

Hon. Norman Y. Mineta
Chairman of the Aviation Subcommittee
of the House Public Works Committee
Suite 2165 House of Representatives
Washington, D.C. 20515

Dear Congressman Mineta:

I urge you to continue on your efforts towards achieving a more safe air transportation means. Your concern on this matter is very commendable. I have been in the aviation field for over 29 years both civil and military and I do agree with you that at the present the air safety is very questionable because of the cut in man power. There is no doubt that 534 inspectors will not be able to inspect so many operators when deregulation created 193 new air lines and at the same time the inspector force has decreased from 640 to 534 in the whole nation, according to official figures. I have experienced deregulation myself and can state without any doubt in my mind that air safety is in a very critical condition and should have the most highest priority of all the matters to be discussed by the committee. Also the quality and knowledge of the few inspectors hired lately is questionable. In my opinion F.A.A. should hire experienced personnel in this field, for example: Directors of Operations, Chief Pilots, Directors of Maintenance, Chief Inspectors and other supervisory personnel that have been involved with air line management. This experienced personnel will bring more knowledge to the F.A.A. inspectors team which in turn will upgrade the air line quality of maintenance and operations in a shorter period of time. This kind of personnel will absorb in a more efficient manner the schools on Federal Aviation Regulations and its applicability that each new comer must attend in the F.A.A.

In my position at the present I must be in contact with the inspectors on a daily basis and I can assure you that they can not cover the area of work that is assigned to them thus delaying to later dates the inspections and checks that must be performed because some matter of higher priority has come up. They are willing to do the task that has been assigned to them but the span of control assigned is too great for them to cover. The only way that air safety will come back to normal is by increasing the number of inspectors in the agency. This should be done without delay. If I can be of any help to your office in the future please count with my cooperation.

Wishing you the best of luck.

I remain,

Respectfully,

Diego A. Nieves

Diego A. Nieves
19th street Block 20 #22
Sabana Gardens
Carolina, Puerto Rico 00630
Tel. 809- 768-1883